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ABSTRACT

This document records a hearing concerning two proposed legislative bills which would revise and extend elementary and secondary school nutrition programs. The text of both bills are followed by supportive statements made by a number of individuals concerned with child nutrition. Also included are related testimony, summaries, prepared statements, letters and supplemental material related to nutrition status, federal policy, and child health. (Author/EB)

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THE CHILD NUTRITION AMENDMENTS OF 1978

HEARING

BEFORE THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

NINETY-FIFTH CONGRESS

SECOND SESSION

ON

H.R. 12343 and H.R. 11699

TO AMEND, REVISE, AND CONSOLIDATE THE PROVISIONS OF THE CHILD NUTRITION PROGRAMS IN THE NATIONAL SCHOOL LUNCH ACT, AS AMENDED, AND THE CHILD NUTRITION ACT OF 1966, AS AMENDED, AND FOR OTHER PURPOSES

HEARING HELD IN WASHINGTON, D.C. ON APRIL 27, 1978

Printed for the use of the Committee on Education and Labor
CARL D. PERKINS, *Chairman*

U S DEPARTMENT OF HEALTH,
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THE CHILD NUTRITION AMENDMENTS OF 1978

THURSDAY, APRIL 27, 1978

House of Representatives,
Subcommittee on Elementary, Secondary,
and Vocational Education,
Committee on Education and Labor,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:00 a.m., in Room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the subcommittee) presiding.

Members present: Representatives Perkins, Blouin, Mottl, Kildee, Murphy, Weiss, Buchanan, and Goodling.

Staff present: John F. Jennings, subcommittee counsel; Charles Radcliffe, minority counsel; Marian Wyman, special assistant to the chairman, and Beatie Clay, staff assistant.

Chairman Perkins. The subcommittee will come to order.

The Subcommittee on Elementary, Secondary, and Vocational Education is conducting a hearing today on H.R. 12343 and H.R. 11699, the two bills that propose to consolidate, revise and extend the child nutrition programs as authorized by the National School Lunch Act and the Child Nutrition Act of 1966.

We are all aware of the tremendous amount of work that is required to incorporate into one comprehensive piece of legislation all of the provisions contained in the two authorizing acts. The two bills that we have before us today clearly reflect the time and effort that went into their preparation. Therefore, I want to take this opportunity to commend both the Administration and the National Child Nutrition Coalition on their efforts in drafting these comprehensive documents.

We are most honored to have with us today Secretary Bergland, who will present the testimony on behalf of the Administration.

Mr. Bergland has been one of our outstanding congressmen in the past and to my way of thinking one of our greatest Secretaries of Agriculture the department has ever had. Coming from a farm area, he is really familiar with the school lunch program in general and the school lunch program as revised during the tenure of Mr. Bergland in the United States Congress; he was very active in support of the program at that time.

Mr. Secretary, I am delighted to welcome you here as an old colleague, and as a friend. You are most welcome.

We are also very fortunate to have testifying before us today three panels of witnesses who are most knowledgeable on these bills. Ms. Carol Foreman, Assistant Secretary of Food and Consumer Services of the Department of Agriculture, will be testifying on behalf of the Administration, and she will be accompanied by Mr. Bob Greenstein.

We also have key representatives of the National Child Nutrition Coalition. This coalition is made up of a group of individuals whose strong support of the child nutrition legislation has been invaluable in the past to the expansion and outreach of these programs.

We are also very glad to welcome Mrs. Gene White, President of the American School Food Service Association. Congress has been very fortunate in the past to be able to draw upon the expertise of this association and we, therefore, look forward with a great deal of interest to Mrs. White's statement today.

Mr. Secretary, you proceed in any manner that you prefer.

[Complete texts of H.R. 12343 and H.R. 11699 follow:]

95th CONGRESS
2d Session

H. R. 12343

IN THE HOUSE OF REPRESENTATIVES

April 25, 1978

Mr. Perkins introduced the following bill; which was referred to the Committee on Education and Labor

---

A BILL

To amend, revise, and consolidate the provisions of the child nutrition programs in the National School Lunch Act, as amended, and the Child Nutrition Act of 1966, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Assistance Act".

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TITLE I—DECLARATION OF PURPOSE

SEC. 101. As a matter of national food, nutrition, and health policy it is the purpose and intent of Congress to promote the health and well-being of the Nation's children and to encourage the consumption of nutritious domestic agricultural commodities and other food. The use of food in child nutrition programs will promote the use of our agricultural abundance, strengthen our agricultural economy, and foster more orderly marketing and distribution of food. It is hereby declared to be the policy of Congress that child nutrition programs shall be expanded and strengthened under the authority of the Secretary of Agriculture by assisting the States, through grants-in-aid and other means, in providing an adequate supply of food and other facilities for the establishment, maintenance, operation, and expansion of all child nutrition programs.

TITLE II—DEFINITIONS

SEC. 201. For the purposes of this Act—

(a) "Alternate agency" means any State agency, other than the State educational agency, appointed in accordance with applicable State law by the Governor to receive and disburse funds made available under this Act.

(b) "Food service equipment" means equipment, used by schools and institutions in storing, preparing, or serving food for children.

(c) "Institution" means any public or private nonprofit organization providing nonresidential child care, including, but not limited to, child care centers, settlement houses, recreation centers, Head Start centers, and institutions providing child care facilities for handicapped children. In addition, the term "institution" shall include programs developed to provide for day care outside the school hours for school-age children, and public or nonprofit private organizations which sponsor family or group day care homes.

(d) "Meals" means a combination of foods which meets the minimum nutritional requirements prescribed by the Secretary.

(e) "Paid meals" means those meals served to children who are ineligible for free or reduced-price meals.

(f) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

(g) "State agency" means, except as used in title XIII of this Act, either a State education agency or an alternate agency.

(h) "State education agency" means, as the State legislature may determine, (A) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education.

(i) "School" means (1) any individual public or nonprofit private school of high school grade or under, (2) any individual public or licensed or otherwise approved nonprofit private residential child care institution, including, but not limited to, orphanages, and homes for the mentally retarded, and (3) with respect to the Commonwealth of Puerto Rico, nonprofit child care centers certified as such by the Governor of Puerto Rico. For the purpose of clauses (1) and (2) of this paragraph, the term "nonprofit", when applied to any private school, means any such school which is exempt from tax under section 501 (c) (3) of the Internal Revenue Code of 1954. School also means a school food authority where the context requires it.

(j) "School food authority" means the governing body which is responsible for the administration of one or more individual schools and which has the legal authority to operate a school food service program therein.

(k) "School year" means the annual period from July 1 through June 30.

(l) "Secretary" means the Secretary of Agriculture.

(m) "Service institution" means nonresidential public or private nonprofit institutions, and residential public or private nonprofit summer camps, that develop special summer or school vacation programs providing food service similar to that made available to children during the school year under the school food service program under this Act.

TITLE III—NUTRITION REQUIREMENTS FOR MEALS

SEC. 301. (a) Meals served under this Act shall consist of a variety of foods which, when served together in the form of breakfast, lunch, supper, or supplements, meet minimum nutritional requirements prescribed by the Secretary on the basis of nutritional research. In developing these nutritional requirements, the Secretary shall take into account research in areas which include: (1) nutritional needs of children, (2) food consumption, including eating patterns and food preferences of children, and the nutritional quality of meals as consumed by participants in programs under this Act, (3) food composition, and (4) any other research which is related to the provision of nutritional and healthful meals to such participants. These nutrition requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students. The Secretary shall establish, in cooperation with State agencies, administrative procedures, which shall include school and institution and child participation, designed to diminish waste of foods which are served under this Act without endangering the nutritional integrity of the meals.

(b) As a means of diminishing waste of foods without endangering nutritional integrity of meals served, the Secretary shall conduct a study to determine the cost and feasibility of requiring schools to offer a choice of menu items within the required meal patterns. This study shall, as a minimum, include different needs and capabilities of elementary and secondary schools for such a requirement. The Secretary shall develop regulations designed to diminish waste based on the results of this study.

(c) The Secretary shall prepare a set of guidelines which outline the objectives of the program under this Act except title XIII and how these objectives can be best achieved by schools, service institutions, and institutions. These guidelines shall include, but are not limited to (1) optimum time that should be allowed for eating meals; (2) presence and role of adults in the eating place; and (3) extent and kind of parent and student involvement.

(d) The Secretary shall (1) develop standards for the frequency of onsite reviews by States and shall encourage followup by States with appropriate technical assistance to schools, service institutions, and institutions based on the results of reviews; and (2) conduct pilot projects which experiment with various approaches to improving meal quality and participation and disseminate recommendations for improvements based on the results of such projects.

TITLE IV—STATE PLAN OF OPERATIONS

SEC. 401. As a prerequisite to receipt of any funds, or commodities donated by the Secretary for use in programs under this Act, except title XIII, each State agency shall submit each year to the Secretary a State plan of operations for such programs for approval by a date specified by the Secretary. Such State plan of operation shall be combined in one document to the fullest extent practicable. The plan shall be submitted over the signature of the Governor or his designated representative. A State agency may submit an amendment to any plan of operations at any time.

SCHOOL FOOD SERVICE OPERATIONS

SEC. 402. (a) For the school food service program, food service equipment assistance program, donated foods program, special milk program, and State administrative expense program, the State plan shall provide in addition to other information required by regulations or available from regular reporting (1) participation and outreach data including but not limited to (A) the total number of schools in the State eligible for the school food service program and an estimate of their average daily attendance; (B) the estimated number of schools in the State that are not participating in the school food service program and an estimate of their average daily attendance, and the estimated number of schools in the State that are participating in the school food service program but are not serving breakfasts, and their average daily attendance; (C) the estimated number of needy schools and their average daily attendance, by such classifications of need as are specified by the Secretary, and of these, the number that are not participating in the school food service program and the number that participate in the program but do not serve breakfast; and (D) the number of individual schools targeted for outreach for the school food service program and the number of schools participating in the program but not serving breakfasts that are targeted for outreach, and of these the number that are needy by such classifications of need as are specified by the Secretary; (2) detailed action plans (A) to make available free or reduced price meals to all eligible children, (B) to extend the service of lunch to every individual school within the State giving priority to individual schools in areas with a high concentration of children eligible for free or reduced price meals, (C) to implement the service of breakfasts mandated in those schools specified in section 502 of this Act, (D) to undertake breakfast outreach efforts to other than the schools specified in clause (2) (C) of this section, in accordance with outreach requirements prescribed by the Secretary; (3) the State's criteria for determining (A) schools in severe need for the purpose of receiving increased reimbursement for the service of breakfasts and how these criteria are made known to schools, and (B) especially needy schools for the food service equipment assistance program and how these criteria are made known to schools; (4) a plan to conduct audits; (5) a plan for use of State administrative expense funds including how the State proposes to use its personnel to administer the various programs authorized under this Act, except title XIII; and (6) a plan for monitoring program performance for effectiveness, efficiency, and compliance.

(b) At a minimum, the plan of operation should address accountability, free and reduced-price meal policy, nutrition requirements for meals, and compliance with antidiscrimination laws.

CHILD CARE OPERATIONS

SEC. 403. For the child care food program, the State plan shall provide, in addition to other information required by regulations or available from regular reporting (a) the number of institutions participating in the program, together with the average daily attendance in such institutions; (b) the number of institutions licensed or approved in the State, and the number of institutions in the State receiving funds under title XX of the Social Security Act (88 Stat. 2337); (c) the detailed action program the State proposed to undertake to use the Federal funds provided under this

Act including the State's plan to extend the program to all eligible institutions; (d) a plan for the conduct of audits; and (e) a plan to monitor program performance and measure progress in achieving program goals.

SUMMER FOOD SERVICE OPERATIONS

SEC. 404. For the summer food service program, the State plan shall provide in addition to other information required by regulations or available from regular report (a) the State's administrative budget for the fiscal year, and the State's plan to comply with any standards prescribed by the Secretary under section 715 of this Act; (b) the State's plans for use of program funds and funds from within the State to the maximum extent practicable to reach needy children, including the State's method of assessing need, and its plans and schedule for informing service institutions of the availability of the program; (c) the State's best estimate of the number and character of service institutions and sites to be approved, and of meals to be served and children to participate for the fiscal year, and a description of estimating methods used; (d) the State's plans and schedule for providing technical assistance and training to eligible service institutions; (e) the State's schedule for application by service institutions; (f) the actions to be taken to maximize the use of meals prepared by service institutions and the use of school food service facilities; (g) the State's plans for monitoring and inspecting service institutions, feeding sites, and food service management companies and for insuring that such companies do not enter into contracts for more meals than they can provide effectively and efficiently; (h) the State's plan and schedule for registering food service management companies; (i) the State's plan for timely and effective action against program violators; (j) the State's plans for determining the amounts of program payments to service institutions and for disbursing such payments; (k) the State's plan for insuring fiscal integrity by auditing service institutions not subject to auditing requirements prescribed by the Secretary; and (l) the State's procedure for granting a hearing and prompt determination to any service institution wishing to appeal a State ruling denying the service institution's application for program participation, continued participation in the program, or claim for program reimbursement.

PUBLIC COMMENT

SEC. 405. States shall secure and consider public comment in the development of State plans under this Act, in accordance with procedures to be developed by the Secretary in consultation with the States.

TITLE V—SCHOOL FOOD SERVICE PROGRAM

PROGRAM AUTHORIZATION

SEC. 501. The Secretary is authorized to carry out a program to assist States through grants-in-aid and other means to initiate, maintain, and expand nonprofit food service programs for children enrolled in schools. Any eligible school may participate in the school food service program upon its request.

PAYMENTS TO STATES

SEC. 502. For the school year ending June 30, 1979, and for each subsequent school year, the Secretary shall provide cash assistance to States, for meals served during such school year, in the manner specified in subsections (a), (b), and (c) of this section: *Provided*, That in any school year the aggregate amount of assistance provided to a State by the Secretary under this title shall not exceed the sum of the amount provided by the State to participating schools within the State for such school year and any amount utilized by the State pursuant to section 1401 (c).

(a) The Secretary shall provide assistance to each State for free meals in the following manner:

(1) For free breakfasts served to eligible children, each State shall receive an amount equal to the product obtained by multiplying the number of free breakfasts served in the State by the applicable payment factors for

free breakfasts. For the school year ending June 30, 1978, the payment factor for free breakfasts shall be 40.25 cents. The Secretary, on July 1 and January 1 of each year, shall prescribe adjustments to the payment factor for free breakfasts. These adjustments shall be computed to the nearest one-fourth cent and shall be based on changes measured over the most recent six-month period for which data are available in the series for food away from home of the Consumer Price Index for All Urban Consumers. The Secretary shall make additional payments for free breakfasts served to eligible children in schools determined by the State to be in severe need. The maximum payment for free breakfasts served in schools in severe need shall be the higher of (A) the free meal payment factor established by the Secretary for free breakfasts, plus 10 cents or (B) 45 cents which shall be adjusted on July 1 and January 1 to the nearest one-fourth cent and shall be based on changes since November 1, 1976, measured over the most recent six-month period for which data are available, in the series for food away from home of the Consumer Price Index for All Urban Consumers.

(2) For free lunches served to eligible children, each State shall receive an amount equal to the product obtained by multiplying the number of free lunches

served in the State by the payment factor for free lunches. For the school year ending June 30, 1978, the payment factor for free lunches shall be 79.5 cents. The Secretary on July 1 and January 1 of each year shall prescribe adjustments to the payment factor for free lunches. These adjustments shall be computed to the nearest one-fourth cent and shall be based on changes measured over the most recent six-month period for which data are available, in the series for food away from home of the Consumer Price Index for All Urban Consumers.

(b) The Secretary shall provide assistance to each State for reduced price meals in the following manner:

(1) For reduced-price breakfasts served to eligible children, each State shall receive an amount equal to the product obtained by multiplying the number of reduced-price breakfasts served in the State by the payment factor for reduced-price breakfasts. For the school year ending June 30, 1978, the payment factor for reduced-price breakfasts shall be 33.25 cents. The Secretary on July 1 and January 1 of each year shall prescribe adjustments to the payment factor for reduced-price breakfasts. These adjustments shall be computed to the nearest one-fourth cent and shall be based on changes, measured over the most recent six-month period for

which data are available, in the series for food away from home of the Consumer Price Index for All Urban Consumers. The Secretary shall make a higher payment for reduced-price breakfasts served to eligible children in schools in severe need. The maximum payment for reduced-price breakfasts served in schools in severe need shall be 5 cents less than the effective maximum payment for free breakfasts served in schools in severe need.

(2) For reduced-price lunches served to eligible children, each State shall receive an amount equal to the product obtained by multiplying the number of reduced-price lunches served in the State by the payment factor for reduced-price lunches. The payment factor for reduced-price lunches shall be 20 cents less than the payment factor for free lunches.

(c) The Secretary shall provide assistance to each State for paid meals in the following manner:

(1) For paid breakfasts served to children, each State shall receive an amount equal to the product obtained by multiplying the number of paid breakfasts served in the State by the payment factor for paid breakfasts.

(2) For paid lunches served to children, each State shall receive an amount equal to the product obtained

by multiplying the number of paid lunches served in the State by the payment factor for paid lunches.

(3) Starting on July 1, 1978, the Secretary on July 1 and January 1 of each year, shall prescribe a payment factor for paid lunches that is the greater of 14.5 cents or an amount determined by adjusting the per meal rate for general cash for food assistance in effect during the school year ending June 30, 1973, to reflect changes since May 1972 in the series for food away from home of the Consumer Price Index for All Urban Consumers. The Secretary shall prescribe a payment factor for paid breakfasts of 11.5 cents. The Secretary shall, on the first date that the payment factor prescribed for paid lunches exceeds 14.5 cents, and on each July 1 and January 1 thereafter, adjust the payment factor for paid breakfasts based on changes measured over the most recent six-month period for which data are available, in the series for food away from home of the Consumer Price Index for All Urban Consumers. All such adjustments shall be computed to the nearest one-fourth cent.

USE OF FUNDS BY STATES

SEC. 503. (a) Funds made available to each State during each school year under the provisions of this title shall be used by the State to assist schools in the State to finance the cost of providing meals served pursuant to this title. The amount of such funds that a school shall receive, within maximum per meal amounts established by the Secretary, shall be based on the need of the school for such assistance.

(b) Each State agency shall establish eligibility standards for providing additional assistance to schools in severe need, which shall include those schools in which the service of breakfasts is required under section 504 (b) of this title to meet the nutritional needs of children eligible for free or reduced-priced meals, where the payment factors per meal provided under this title are insufficient to meet the costs of serving breakfasts in such schools. Such eligibility standards shall be submitted to the Secretary for approval and included in the State plan of school food service operations. Pursuant to those State eligibility standards, any school, upon the submission of appropriate documentation of need and its eligibility for additional assistance, shall be entitled to receive 100 per centum of the costs of providing free breakfasts, including the costs of obtaining, preparing, and serving food, or the meal reimbursement rate specified in the last sentence of subsection 502 (a) (1), whichever is less.

PAYMENTS TO SCHOOLS

SEC. 504. (a) Funds paid to any State under this title shall be disbursed by the State agency, in accordance with agreements approved by the Secretary, to those schools in the State which the State agency determines are eligible. Such disbursement shall be made only for the purpose of assisting schools in financing the cost of providing breakfasts and lunches to children attending schools. Per meal costs shall include the cost of obtaining foods and the direct and indirect costs associated with the preparation and service of meals to children. The cost of obtaining foods may include, in addition to the purchase price, the cost of processing, distributing, transporting, storing, and handling. In no event shall the disbursement for meals by category (paid, free, or reduced price) to any school for any school year exceed an amount determined by multiplying the number of meals by category served in such school under this title during such year by maximum reimbursement rates assigned for such category or the per meal costs, whichever is less. Payments to schools may be made in advance or by way of reimbursement, in accordance with procedures prescribed by the Secretary.

(b) Beginning with the school year ending June 30, 1980, any school as defined in section 201 (i) (1) of this Act having an enrollment of over one hundred students and participating in the school food service program during the school year ending June 30, 1978, or during any subsequent school year, shall serve breakfasts to children if over 50 per centum of the students enrolled in the school are eligible for free or reduced-price meals, as determined by approved applications on file for the most recent school year for which applications have been collected. If any such school does not serve breakfasts, the school food authority shall be deemed to have complied with this section if the school food authority extends the service of breakfasts to another school or schools which did not serve breakfasts during the school year ending June 30, 1978, and which, singly or together, enroll at least as many students approved for free and reduced-price meals as the school which otherwise would be required to serve breakfasts under this section.

(c) (1) Beginning with the school year ending June 30, 1980, in the event that any school subject to the requirements of subsection (b) has not initiated the service of breakfasts on a regular basis in the school food service program, the State (in accordance with standards established by the Secretary) shall withhold sufficient amounts from such school food authority for meals served in the program, as are deemed reasonably necessary to encourage compliance with the requirements of this section. Upon the initiation of the service of breakfasts in such school on a regular basis during the school year, such school food authority shall receive any payments withheld for meals served in the school food service program for such school year.

(2) If in any school year a State withholds funds for meals served in any school and the school does not initiate the service of breakfasts on a regular basis during that school year, the State may disburse the funds withheld to school food authorities that are subject to and fully complying with the requirements of subsection (b). The State may pay such school food authorities for their full per meal costs, but not to exceed the maximum reimbursement rates established by the Secretary.

(d) (1) Any school in which 80 per centum of the children participating in the school food service program are eligible for free or reduced-price meals may request that for the following year, free and reduced-price payments be determined on the basis of the number of free and reduced-price meals served by the school during the school year in which the request is made, plus the number of free and reduced-price meals served during the second year to other children determined for that year to be eligible for such meals.

(2) In the case of any school that elects to (A) serve all children in that school free meals during any period of three successive school years and (B) pay from sources other than Federal funds for the costs of serving such meals which

are in excess of the value of assistance due under this Act, the Secretary shall make payments to the State agency, and the State agency shall make payments to such schools, on the following basis: The number of meals served by a school to children eligible for free meals and reduced price meals during each school year for the three-school-year period shall be deemed to be the number of meals served by that school to children eligible for free and reduced price meals during the first school year of such period, unless that school elects, for purposes of computing the amount of such payments, to determine on a more frequent basis the number of children eligible for free or reduced price meals who are served meals during such period.

FREE AND REDUCED PRICE POLICY

SEC. 505. (a) No later than June 1 of each fiscal year, the Secretary shall establish standards of eligibility for free meals at 125 per centum, and shall establish standards of eligibility for reduced price meals at 195 per centum, of the nonfarm income poverty guidelines prescribed by the Office of Management and Budget adjusted annually pursuant to section 625 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2971d). The income poverty guidelines for the period commencing July 1, 1978, shall be made as up to date as possible by multiplying the income poverty guidelines for 1977 by the change between the average 1977

Consumer Price Index and the Consumer Price Index of March 1978, utilizing the most current procedures which have been used by the Office of Management and Budget. The income poverty guidelines for future periods shall be similarly adjusted, utilizing the Consumer Price Index for all Urban Consumers.

(b) Any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the standards of eligibility for free meals prescribed by the Secretary shall be entitled to a free meal. Any child who is a member of a family which has an income above the applicable family size income level for free meals prescribed by the Secretary, but not above the applicable family size income level for reduced-price meals prescribed by the Secretary, shall be entitled to a reduced-price lunch at a price not to exceed 20 cents and a reduced price breakfast at a price not to exceed 10 cents.

(c) Following the announcement by the Secretary of the standards of eligibility for each twelve-month period each State agency shall inform the schools within the State of such standards.

(d) Schools shall publicly announce the standards of eligibility for free and reduced-priced meals on or about the opening of school each school year, and shall determine eligibility solely on the basis of an application executed in such form as the Secretary may prescribe, by an adult member of the family: *Provided*, That any school may for cause seek verification of the data in the application. No physical segregation of or other discrimination against any child eligible for free meals or reduced-price meals shall be made by the school nor shall there be any overt identification of any child by special tokens or tickets, announced or published list of names, or by other means.

(e) Any child who has a parent or guardian who (A) is responsible for the principal support of such child and (B) is unemployed, shall be eligible for free or reduced-price meals during the period of unemployment: *Provided*, That the loss of income causes the family income during the period of unemployment to fall within the applicable family size level for free or reduced-price meals prescribed by the Secretary.

(f) If funds are transferred to the Secretary from other Federal sources for use in providing free or reduced-price meals to children not eligible for free or reduced-price meals, the Secretary is authorized to provide such funds to States for serving free or reduced-price meals in schools to children for whom the funds were transferred.

USE OF ABUNDANT FOODS

SEC. 506. Each school shall, insofar as practicable, utilize in its food service program foods designated from time to time by the Secretary as being in abundance, either nationally or in the school area, and foods donated by the Secretary.

MATCHING REQUIREMENTS

SEC. 507. (a) Payments to any State in any school year for lunches served under this title shall be matched during such year by State revenue (other than revenue derived from the school food service program) appropriated or utilized specifically for program purposes (other than salaries and administrative expenses at the State as distinguished from local level) in an amount equal to the product obtained by multiplying the total number of lunches served under this title to children in the public schools in the State during the second preceding school year by an amount equal to 30 per centum of the payment factor for paid lunches for the second preceding school year. State matching funds shall be made available to schools for use in providing meal service under this title. In the case of any State whose per capita income is less than the per capita income of the United States, the matching requirements for any fiscal year shall be decreased by the percentage which the State's per capita income is below the per capita income of the United States.

(b) In the event that any State fails to meet its matching requirement under this section, the payment factors for free lunches, reduced-price lunches, and paid lunches served in that State in the following school year shall each be reduced by an amount equal to the percentage by which the State has failed to meet its matching requirement multiplied by the payment factor for paid lunches.

PRIVATE SCHOOL ADMINISTRATION

SEC. 508. If, in any State, the State education agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this Act to any of the schools in the State, or is not permitted by law to match Federal funds made available for use by any such schools, the Secretary may provide for administration of the school food service program in such schools by an alternate State agency. If, in any State, the State education agency is not permitted by law to disburse the funds paid to it under this Act to any of the schools in the State, or is not permitted by law to match Federal funds made available for use by such schools, and no alternate State agency is designated by the Governor, the Secretary shall disburse the funds directly to such schools within the State for the same purposes and subject to the same conditions as are required by a State disbursing funds. In no event shall the Secretary disburse funds to public schools in any State other than schools as defined in section 201 (i) (2) of this Act.

REPORTING REQUIREMENTS

SEC. 509. Each school participating in the school food service program under this title shall report each month for the preceding month to the State agency, the following: (a) the number of breakfasts served by category (paid, free, and reduced price), (b) the number of lunches served by category (paid, free, and reduced price), (c) the number of days of operation, and (d) the number of children approved for free meals and the number of children approved for reduced price meals. Each State shall report this information to the Secretary in a form specified by the Secretary.

NATIONAL ADVISORY COUNCIL ON CHILD NUTRITION

SEC. 510. There is established a National Advisory Council on Child Nutrition (hereinafter in this section referred to as the "Council") to be composed of twenty-two members appointed by the Secretary. One member shall be a school administrator, one member shall be engaged in vocational education work, one member shall be a nutrition expert, one member shall be engaged in the child care food program as a provider, one member shall be a person engaged in the summer food service program, one member shall be a child nutrition advocate, one member shall be a school food service management expert, one member shall be a chief State school officer, one member shall be a supervisor of a school food service program in a school system in an urban area (or the equivalent thereof), one member shall be a supervisor of a school food service program in a school system in a rural area (or the equivalent thereof), one member shall be a State school food service director (or the equivalent thereof), one member shall be a person serving on a school board, one member shall be a classroom teacher, two members shall be parents of children in schools that participate in the school food service program under this title, two members shall be senior high school students who participate in the school food service program, one member shall be an official of the Department of Health Education, and Welfare appointed by the Secretary of Health, Education, and Welfare, and four members shall be officials of the Department of Agriculture to serve on the Council because of their education, training, experiences, and knowledge in matters relating to food service programs for children. The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

The seventeen members of the Council appointed from outside the Department of Agriculture and the Department of Health, Education, and Welfare shall be appointed for terms of two years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Parents and senior high school students appointed to the Council shall be members of State or local school district child nutrition councils or committees actively engaged in providing advice and guidance to school officials administering the school food service programs. Such appointments shall be made in a manner to balance rural and urban representation between parents and students. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

The Council shall meet at the call of the Chairman and shall meet at least once a year.

Twelve members shall constitute a quorum.

The Council shall make continuing study of the operation of programs carried out under this Act, except for title XIII, and any related Act under which meals are provided for children, with a view to determining how such programs may be improved. The Council shall submit to the President and to the Congress in even-numbered years, beginning in the fiscal year ending September 30, 1980, a written report of the study together with recommendations.

The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions.

Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council: *Provided,* That members serving as parent representatives, in addition to reimbursement for necessary travel and subsistence, shall, at the discretion of the Secretary, be compensated for other personal expenses related to participation on the Council, such as child care expenses and lost wages during scheduled Council meetings.

TITLE VI—CHILD CARE FOOD PROGRAM

PROGRAM AUTHORIZATION

SEC. 601. The Secretary is authorized to carry out a program to assist States through grants-in-aid and other means to initiate, maintain, and expand nonprofit food service programs for children in institutions providing child care. No institution shall be eligible to participate in the program unless (a) it has Federal, State, or local licensing or approval, or is complying with appropriate renewal procedures as prescribed by the Secretary and the State has no information indicating that the institution's license will not be renewed; or, where Federal, State, or local licensing or approval is not available, receives either referrals for placement or funds from Federal, State, or local government agencies (such as funds under title XX of the Social Security Act (88 Stat. 2337), or otherwise demonstrates that it meets either any applicable licensing or approval standards established by its State or local government or those standards established by the Secretary after consultation with the Secretary of Health, Education, and Welfare and (b) it meets the following criteria: (1) accepts final administrative and financial responsibility to manage an effective food service; (2) has not been seriously deficient in operating under this program or other programs under this Act; and (3) will provide adequate supervisory and operational personnel for overall monitoring and management of food service.

PAYMENTS TO STATES

SEC. 602. (a) For the fiscal year ending September 30, 1979, and for each subsequent fiscal year, the Secretary shall provide cash assistance to States, for meals served during such fiscal year, in the manner specified in subsection (b) below: *Provided*, That in any fiscal year the aggregate amount of assistance provided to a State by the Secretary under this title shall not exceed the sum of the amount provided by the State to participating institutions within the State for such fiscal year and any amount utilized by the State pursuant to section 1401 (c).

(b) The Secretary shall provide assistance to each State in the following manner:

(1) For breakfasts served to eligible children, each State shall receive an amount equal to the product obtained by multiplying the number of breakfasts served in the State by the payment factor for breakfasts. For the

school year ending June 30, 1978, the payment factor for breakfasts shall be 40.25 cents. The Secretary on July 1 and January 1 of each year shall prescribe adjustments to the payment factor for breakfasts. These adjustments shall be computed to the nearest one-fourth cent and shall be based on changes, measured over the most recent six-month period for which data are available, in the series for food away from home of the Consumer Price Index for all Urban Consumers.

(2) For lunches and suppers served to eligible children, each State shall receive an amount equal to the product obtained by multiplying the number of lunches and suppers served in the State by the payment factor for lunches and suppers. For the school year ending June 30, 1978, the payment factor for lunches and suppers shall be 79.5 cents. The Secretary shall prescribe adjustments to the payment factor for lunches and suppers on July 1 and January 1 of each year. These adjustments shall be computed to the nearest one-fourth cent and shall be based on changes, measured over the most recent six-month period for which data are available, in the series for food away from home of the Consumer Price Index for all Urban Consumers.

(3) For supplements served to eligible children, each State shall receive an amount equal to the product

obtained by multiplying the number of supplements served in the State by the payment factor for supplements. For the school year ending June 30, 1978, the payment factor for supplements shall be 23.75 cents. The Secretary shall prescribe adjustments to the payment factor for supplements on July 1 and January 1 of each year. These adjustments shall be computed to the nearest one-fourth cent and shall be based on changes, measured over the most recent six-month period for which data are available, in the series for food away from home of the Consumer Price Index for all Urban Consumers.

APPROVAL OF INSTITUTIONS

SEC. 603. Any public institution shall be approved for participation in the child care food program upon its request. Any private institution shall be approved for participation if (a) it has tax exempt status under the Internal Revenue Code of 1954 or if, under conditions established by the Secretary, such institution is moving toward compliance with the requirements for tax exempt status, or (b) is currently operating a Federal program requiring nonprofit status. Family and group day care homes need not have individual tax exempt certification if they are sponsored by an institution which has tax exempt status or is moving toward compliance with the requirements for tax exempt status or is currently operating a Federal program requiring nonprofit status. An institution applying for participation under this title shall be notified of approval or disapproval in writing within thirty days after the date its completed application is filed. If an institution submits an incomplete application to the State agency, the State agency shall so notify the institution within fifteen days of receipt of the application, and shall provide technical assistance, if necessary, to the institution for the purpose of completing its application.

HEARING PROCEDURE

SEC. 604. The State agency shall provide, in accordance with regulations issued by the Secretary, for the granting of a fair hearing and a prompt determination to any institution aggrieved by the action of the State agency as it affects the participation of such institution in the program authorized by this title, or its claim for reimbursement.

PAYMENTS TO INSTITUTIONS AND HOMES

SEC. 605. (a) Funds paid to any State under this title shall be disbursed to institutions by the State agency in accordance with agreements approved by the Secretary. Disbursements to any institution shall be made only for the purpose of assisting in financing the cost of providing free meals to children attending institutions, or in family and group day care homes, who are members of families whose annual income does not exceed 195 per centum of the applicable family size income level prescribed in section 505 of this Act. Such cost shall include the cost of obtaining, preparing, and serving food to such children. Payments to institutions under this title shall be made only if identical meal service is offered to all children and sufficient income is made available to the institution's food service account from sources other than this title to cover the cost of meal service to any child who is a member of a family which has an income above 195 per centum of the applicable family size income level prescribed in section 505 of this Act. All valid claims from such institutions shall be paid within forty-five days of receipt by the State agency. The State agency shall notify the institution within fifteen days of receipt if the claim as submitted is not valid because it is incomplete or incorrect.

(b) By the first day of each month of operation, the State agency shall provide advance payments for the month to each approved institution in an amount that reflects the level of valid claims customarily received from such institution, in accordance with the immediate disbursement needs of the institution. In the case of a newly participating institution, the amount of the advance shall reflect the State agency's best estimate of the level of valid claims such institution will submit. If the State agency has reason to believe that an institution will not be able to submit a valid claim covering the period for which an advance has been made, the subsequent month's advance shall be withheld until the State agency receives a valid claim. Payments advanced to institutions that are not subsequently deducted from a valid claim for reimbursement shall be repaid upon demand by the State agency. Any prior payment that is under dispute may be subtracted from an advance payment.

(c) In lieu of any other payment provided for in this section, institutions which participate in the program under this title as family or group day care home sponsoring organizations may be provided, for payment to such homes, a flat reimbursement in an amount determined by the Secretary to be adequate to cover the cost of purchasing food and prescribed labor cost involved in preparing and serving meals.

MEAL SERVICE

SEC. 606. (a) No institution may be prohibited from serving a breakfast, lunch, supper, and snack to each eligible child each day, except in the case of institutions that provide care to school children outside of school hours.

(b) No physical segregation or other discrimination against any child shall be made because of his inability to pay, nor shall there by any overt identification of any such child by special tokens or tickets, by different meals or meal service, announced or published lists of names, or other means.

(c) Each institution shall, insofar as practicable, utilize in its food service foods designated from time to time by the Secretary as being in abundance, either nationally or in the food service area, or foods donated by the Secretary.

AUDIT EXPENSES

SEC. 607. The Secretary shall make available for each fiscal year to States administering the child care food program, for the purpose of conducting audits of participating institutions, an amount up to 2 per centum of the funds used by each State in the program under this title. or a predecessor program, during the second preceding fiscal year.

ADMINISTRATIVE COSTS FOR SPONSORING ORGANIZATIONS

SEC. 608. Institutions which participate in the program under this title as family or group day care home sponsoring organizations shall receive reimbursements for their administrative expenses. Such reimbursements shall not exceed maximum allowable levels, prescribed by the Secretary, for such reimbursements.

ADMINISTRATIVE COST STUDY

SEC. 609. The Secretary shall study the administrative costs of institutions participating in the program under this title and may thereafter prescribe maximum allowable levels for administrative payments that reflect the costs of such institutions, taking into account the types of institutions, the number of children served, and such other factors as the Secretary determines appropriate to further the goals of efficient and effective administration of the program.

FOOD COST STUDY

SEC. 610. The Secretary shall conduct a study of the food service operations carried out in the program under this title. Such study shall include, but shall not be limited to (a) an evaluation of meal quality as related to costs; and (b) a determination whether maximum reimbursement levels should be set for food service costs, including whether different reimbursement levels should be established for self-prepared meals and vendored meals, economies of scale, and differences between food service operations in institutions and family and group day care homes.

REPORT TO CONGRESS ON STUDIES

SEC. 611. The Secretary shall report the results of such studies to Congress not later than fifteen months after enactment of this title.

ADMINISTRATION BY THE SECRETARY

SEC. 612. In any State where the State agency is not permitted by law or is otherwise unable to disburse the funds payable to it under this title to any institution in the State, the Secretary shall withhold all funds to which such State would be entitled and shall use such funds for the same purposes and subject to the same conditions as are required of a State agency.

FOOD SERVICE EQUIPMENT ASSISTANCE

SEC. 613. (a) Of the sums appropriated for title VIII of this Act each fiscal year the Secretary shall determine an amount for use in institutions participating in the program under this title for the purposes of providing, during such fiscal year, food service equipment assistance for the child care food program. The Secretary shall allocate the amount so determined among the States during each fiscal year on the basis of the number of eligible children under six years of age in each State in accordance with the most recent data available to the Secretary.

(b) If any State cannot utilize all of the funds allocated to it under this section the Secretary shall reallocate to the remaining States in the manner set forth in this section for allocating funds. If, after such further reallocation of these funds, any such funds cannot be used, the Secretary shall allocate such funds among the States for use in schools in accordance with the provisions of section 802. Payments to any State of funds allocated under this section for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this section shall be financed from sources within the State, except that this condition shall not apply to equipment obtained for institutions which are especially needy, as determined by the State.

(c) Each State agency shall establish criteria for determining institutions which are especially needy for purposes of this section and shall inform all institutions within the State of those criteria. Such criteria shall be submitted to the Secretary for approval and included in the State plan of operation for the child care food program required by title IV.

(d) Within thirty days of notification by the Secretary to the State agency of the amount of funds available under this section, the State agency shall notify institutions of the availability of funds for food service equipment. The Secretary shall establish standards to assure prompt action by State agencies on requests by institutions for such funds, and shall also prescribe a priority system to be followed by States in awarding funds under this section.

TRAINING AND TECHNICAL ASSISTANCE

SEC. 614. State agencies participating in the program under this title shall provide training, technical assistance, and monitoring to facilitate expansion and effective operation of the programs, and shall take affirmative action to expand the availability of benefits under this title. Such action, at a minimum, shall include annual notification to each nonparticipating institution within the State that is licensed, approved or registered, or that receives funds under title XX of the Social Security Act (88 Stat. 2337), of the availability of the program, the requirements for participation, the availability of food service equipment funds, and the application procedures to be followed. The list of institutions so notified each year shall be available to the public upon request.

TITLE VII—SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

PROGRAM AUTHORIZATION

SEC. 701. The Secretary is authorized to carry out a summer food service program to assist States, through grants-in-aid and other means, to initiate, maintain, and expand nonprofit food service programs for children in service institutions. For purposes of this title, (a) "camps" means those service institutions which are residential summer camps or which offer a regularly scheduled food service as part of an organized cultural or recreational program for controlled children who are maintained at the program for more than eight hours per day of operation; (b) "areas in which poor economic conditions exist" means areas in which at least 33⅓ per centum of the children are eligible for free or reduced price schools meals under this Act, as determined by information provided from departments of welfare, zoning commissions, census tracts, by the number of free and reduced price lunches or breakfasts served to children attending public and nonprofit private schools located in the areas served or from other appropriate sources, including statements of eligibility based upon family size income for children enrolled in the program; and (c) "children" means (1) individuals who are eighteen years of age and under and (2) individuals over eighteen years of age who are determined by a State educational agency or local public educational agency of a State, in accordance with regulations prescribed by the Secretary, to be mentally or physically handicapped, or who are participating in a public or nonprofit private school program established for the mentally or physically handicapped.

SERVICE INSTITUTION ELIGIBILITY

SEC. 702. Eligible service institutions entitled to participate in the program shall be limited to those that (a) demonstrate adequate administrative and financial responsibility to manage an effective food service; (b) have not been seriously deficient in operating under the program; (c) either conduct a regularly scheduled food service for children from areas in which poor economic conditions exist or are camps; and (d) provide an ongoing year-round service to the community to be served under the program (except that an otherwise eligible service institution shall not be disqualified for failure to meet this requirement if the State determines that its disqualification would result in an area in which poor economic conditions exist not being served or in a significant number of needy children not having reasonable access to a summer food service program).

PARTICIPATION PRIORITIES

SEC. 703. The following order of priority shall be used by the State in determining participation where more than one eligible service institution proposes to serve the same area (a) service institutions that have demonstrated successful program performance in a prior year and local schools; (b) service institutions that prepare meals at their own facilities or operate only one site; (c) service institutions that use local school food facilities for the preparation of meals; (d) other service institutions that have demonstrated ability for successful program operations; and (e) service institutions that plan to integrate the program with Federal, State, or local employment programs.

RURAL SERVICE INSTITUTIONS

SEC. 704. The Secretary and the States, in carrying out their respective functions under this title, shall actively seek eligible service institutions located in rural areas, for the purpose of assisting such service institutions in applying to participate in the program.

MEAL REQUIREMENTS

SEC. 705. (a) Meals may include a breakfast, a lunch, a supper, and meal supplements.

(b) Meals shall be served during the months of May through September, except in the case of service institutions that operate food service programs for children on school vacation at another time under a continuous school calendar.

(c) Any service institution, other than a camp, may serve not more than three meals each day of operation, if at least one of the three meals is a meal supplement, and any camp may serve not more than four meals each day of operation: *Provided*, That the service institution or camp has the administrative capability, and the food preparation and food holding capabilities (where applicable), to manage more than one meal service per day, and provided that the service period of different meals does not coincide or overlap.

(d) Meals served under this title shall be served without charge to children attending service institutions other than camps. In the case of camps, charges may be made only for meals served to children other than those who meet the eligibility requirements for free or reduced price school meals.

(e) To assure meal quality, States shall, with the assistance of the Secretary, prescribe model food quality specifications and model meal standards and insure that all service institutions contracting for the preparation of meals with food service management companies include in their contracts menu cycles, local food safety standards, and food quality standards approved by the State. Such contracts shall require periodic inspections, by an independent agency or the local health department for the locality in which the meals are served, of meals prepared in accordance with the contract in order to determine that bacteria levels present in such meals do not exceed the standards which are applied by the local health authority for that locality with respect to the levels of bacteria that may be present in meals served by other establishments in that locality. Such inspections and any testing resulting therefrom shall be in accordance with the practices employed by such local health authority.

(f) To the maximum extent feasible, consistent with the purposes of this title, meals served under the program shall be prepared at the facilities of public and nonprofit private schools. The Secretary shall assist States in the development of information and technical assistance to encourage increased service of meals prepared at the facilities of service institutions and at public and nonprofit private schools.

(g) Each service institution shall, insofar as practicable, utilize in its food service foods designated from time to time by the Secretary as being in abundance or foods donated by the Secretary.

MEAL PAYMENTS TO SERVICE INSTITUTIONS

SEC. 706. (a) Meal payments to service institutions shall be in an amount equal to the full cost of food service operations (which cost shall include the cost of obtaining, preparing, and serving food, but shall not include administrative costs), with respect to meals eligible for reimbursement under this title but shall not exceed (a) 92.75 cents for each lunch and supper served; (b) 51.50 cents for each breakfast served; or (c) 24.25 cents for each meal supplement served: *Provided*, That such amounts shall be adjusted each January 1 to the nearest one-fourth cent based on the changes for the twelve-month period ending the preceding November 30 in the series for food away from home of the Consumer Price Index for All Urban Consumers: *Provided further*, That the Secretary may make such adjustments in the maximum reimbursement levels as the Secretary determines appropriate based on a study conducted by the Secretary to determine the maximum reimbursement level for food service operations costs and maximum allowable levels for administrative payments.

(b) Meals served by camps are eligible for reimbursement only if they meet the requirements of this title and are served to children who meet the eligibility requirements for free or reduced price school meals under section 505 of this Act. To determine the eligibility of children, all camps shall collect family size and income information on individual enrolled children.

ADMINISTRATIVE COSTS

SEC. 707. (a) Every service institution when applying for participation in the program, shall submit a complete budget for administrative costs related to the program, which shall be subject to approval by the State. The State shall pay such service institutions for administrative costs incurred, except that such payment may not exceed the maximum allowable levels determined by the Secretary.

(b) To provide for adequate food quality monitoring and to further the implementation of the program, an additional amount, not to exceed the lesser of actual costs or 1 per centum of program funds, shall be made available by the Secretary to States to pay for State or local health department inspections for such monitoring, and to reinspect facilities and deliveries to test meal quality.

ADVANCED PAYMENTS TO STATES

SEC. 708. Not later than April 15, May 15, and July 1, of each year, the Secretary shall forward to each State a letter of credit (advance program payment) that shall be available to each State for payment to service institutions for meals to be served in the month for which the letter of credit is issued. The amount of the advance program payment shall be an amount which the State demonstrates, to the satisfaction of the Secretary, to be necessary for advance program payments to service institutions in accordance with section

710 of this title. The Secretary shall forward advance program payments, by the first day of the month prior to the month in which the program will be conducted, to States that operate the program in months other than May through September. The Secretary shall forward any remaining payments due pursuant to section 710 of this title not later than sixty days following receipt of valid claims therefor.

ADVANCE PAYMENTS TO SERVICE INSTITUTIONS

SEC. 709. (a) Not later than June 1, July 15, and August 15 of each year, or, in the case of service institutions that operate under a continuous school calendar, the first day of each month of operation, the State shall forward advance program payments to each service institution: *Provided*, That (1) the State shall not release the second month's advance program payment to any service institution that has not certified that it has held training sessions for its own personnel and the site personnel with regard to program duties and responsibilities, and (2) no advance program payment may be made for any month in which the service institution will operate under the program for less than ten days.

(b) The amount of the advance program payment to any service institution for any month shall be an amount equal to (1) the total payment for eligible meals served by the service institution in the same calendar month of the preceding calendar year, or (2) 50 per centum of the amount established by the State to be needed by the service institution for eligible meals if the service institution contracts with a food service management company, or (3) 65 per centum of the amount established by the State to be needed by the service institution for eligible meals if the service institution prepares its own meals, whichever amount is greatest: *Provided*, That the advance program payment may not exceed the total amount estimated by the State to be needed by the service institution for eligible meals to be served in the month for which such advance program payment is made or $40,000, whichever is less, except that a State may make a larger advance program payment to a service institution where the State determines that a larger payment is necessary for the operation of the program by the service institution and sufficient administrative and management capability to justify a larger payment is demonstrated. The State shall forward any remaining payment due a service institution not later than seventy-five days following receipt of valid claims. If the State has reason to believe that a service institution will not be able to submit a valid claim for reimbursement covering the period for which an advance program payment has been made, the subsequent month's advance program payment shall be withheld until such time as the State has received a valid claim. Program payments advanced to service institutions that are not subsequently deducted from a valid claim for reimbursement shall be repaid upon demand by the State. Any prior payment that is under dispute may be subtracted from an advance program payment.

STARTUP COSTS

SEC. 710. In order to improve program planning, the Secretary may provide that service institutions be paid as startup costs not to exceed 20 per centum of the administrative funds provided for in the administrative budget approved by the State under section 708 of this title. Any payments made for startup costs shall be subtracted from amounts otherwise payable for administrative costs subsequently made to service institutions under section 708 of this title.

WITHHOLDING ADMINISTRATIVE FUNDS

SEC. 711. The Secretary shall establish standards and effective dates for the proper, efficient, and effective administration of the program by the State. If the Secretary finds that a State has failed without good cause to meet any of the Secretary's standards or has failed without good cause to carry out the approved State plan of operation under section 404, the Secretary may withhold from the State such administrative funds authorized under section 1202 as the Secretary determines to be appropriate.

ADMINISTRATION, BY SECRETARY

SEC. 712. If any State (a) is unable for any reason to disburse the funds payable to it under this title to any service institution in the State or (b) does not operate the program in accordance with the requirements of this title, the Secretary shall administer the program in such State, and shall disburse the funds except for that portion of the funds the Secretary uses for administrative expenses directly to service institutions in the State for the same purposes and subject to the same conditions as are required of a State disbursing funds made available under this title. In cases described in clause (A) of the preceding sentence, the State shall notify the Secretary, not later than November 1 of each fiscal year in which the program is operated, of its intention not to administer the program.

FOOD SERVICE MANAGEMENT COMPANIES

SEC. 713. (a) Service institutions may contract on a competitive basis only with food service management companies registered with the State in which they operate for the furnishing of meals or management of the entire food service under the program. A food service management company entering into a contract with a service institution under this title may not subcontract with a single company for the total meal, with or without milk, or for the assembly of the meal. The Secretary shall prescribe additional conditions and limitations governing assignment of all or any part of a contract entered into by a food service management company under this title. Any food service management company shall, in its bid, provide the service institution with information as to its meal capacity. The State shall, upon award of any contract, review the company's registration to calculate how many remaining meals the food service management company is equipped to prepare.

(b) Each State shall provide for the registration of food service management companies. For the purposes of this section, registration shall include, at a minimum—

(1) certification that the company meets applicable State and local health, safety, and sanitation standards;

(2) disclosures of past and present company owners, officers, and directors, and their relationship, if any, to any service institution that participated in the program in any prior fiscal year or to any food service management company which, through either a contract or a subcontract, participated in the program in any prior fiscal year;

(3) records of contract terminations or disallowances, and health, safety, and sanitary code violations, in regard to program operations in prior fiscal years; and

(4) the addresses of the company's food preparation and distribution sites.

(c) No food service management company may be registered if the State determines that such company, (i) lacks the administrative and financial capability to perform under the program, or (ii) has been seriously deficient in its participation in the program in prior fiscal years.

(d) In order to insure that only qualified food service management companies contract for services in all States, the Secretary shall maintain a record of all food service management companies that applied for registration and the program record of those that participated, for the purpose of making such information available to the States.

(e) In accordance with regulations issued by the Secretary, positive efforts shall be made by service institutions to use small businesses and minority-owned businesses as sources of supplies and services. Such businesses shall have the maximum feasible opportunity to compete for contracts under the program.

STANDARD FORM OF CONTRACT

SEC. 714. Each State, with the assistance of the Secretary, shall establish a standard form of contract for use by service institutions and food service management companies. The Secretary shall prescribe requirements governing bid and contract procedures for acquisition of the services of food service management companies, including, but not limited to, bonding requirements (which may provide exemptions applicable to contracts of $100,000 or less), procedures for review of contracts by States, and safeguards to prevent collusive bidding activities between service institutions and food service management companies.

PENALTIES

SEC. 715. (a) Whoever, in connection with any application, procurement, recordkeeping entry, claim for reimbursement, or other document or statement made in connection with the program, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device, a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, or whoever, in connection with the program, knowingly makes an opportunity for any person to defraud the United States, or does or omits to do any act with intent to enable any person to defraud the United States, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(b) Whoever, being a partner, officer, director, or managing agent connected in any capacity with any partnership, association, corporation, business, or organization, either public or private, that receives benefits under the summer food service program, knowingly or willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery any benefits provided by this title or any money, funds, assets, or property derived from benefits provided by this title shall be fined not more than $10,000 or imprisoned for not more than five years, or both (but, if the benefits, money, funds, assets, or property involved is not over $200, then the penalty shall be a fine of not more than $1,000 or imprisonment for not more than one year, or both).

(c) If two or more persons conspire or collude to accomplish any act made unlawful under this section, and one or more of such persons do any act to effect the object of the conspiracy or collusion, each shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

TITLE VIII—FOOD SERVICE EQUIPMENT ASSISTANCE

PROGRAM AUTHORIZATION

SEC. 801. For each fiscal year there is authorized to be appropriated to the Secretary $40,000,000 to assist States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist, and to supply institutions participating in the child care food service program under title VI of this Act, with food service equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to establish, maintain, and expand food service programs. In the case of a nonprofit private school such equipment shall be for the use of such school principally in connection with the school food service program authorized by this Act. The Secretary shall determine the amount to be made available for use in institutions participating in the program under title VI. The remaining funds shall be used as provided in this title.

ALLOCATION TO STATES FOR SCHOOLS

SEC. 802. (a) Except for the funds reserved under section 805 of this title, the Secretary shall allocate funds among the States for use in connection with the school food service program under title V of this Act on the basis of the ratio that the number of free and reduced-price meals, served in schools in each State in the latest preceding fiscal year for which the Secretary determines data are available at the time such funds are allocated, bears to the total number of such meals served in schools in all States in such preceding fiscal year. If any State cannot utilize all of the funds allocated to it under the provisions of this section, the Secretary shall make reallocations to the remaining States in the manner set forth in this subsection for allocating funds.

(b) Payment to any State of funds allocated under this section for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this section shall be financed from sources within the State, except that this condition shall not apply to such funds if the receiving schools are especially needy, as determined by the State. States shall make funds available under this subsection by giving priority to schools without a food service program, schools that do not serve both breakfasts and lunches but that will use food service equipment to initiate the service of breakfasts or lunches, schools having equipment that is so antiquated or impaired as to endanger the continuation of an adequate food service program and schools that provide individual preplated meals but that will use food service equipment to prepare meals that are not individually preplated. The State shall make any remaining funds available to eligible schools that do not meet these priority criteria, for the purpose of purchasing needed replacement equipment in such schools.

STATE DISBURSEMENTS TO SCHOOLS

SEC. 803. Funds allocated to any State under this title shall be disbursed by the State agency to assist schools which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate, food service equipment. In the selection of schools to receive assistance under this title, the State agency shall require applicant schools to provide justification of the need for such assistance and the inability of the school to finance the food service equipment needed. Disbursements to any school may be made by advances or reimbursements, only after approval by the State agency of a request which contains a detailed description of the equipment to be acquired and a plan for its use.

NONPROFIT PRIVATE SCHOOLS

SEC. 804. If, in any State, the State agency is prohibited by law from administering the program authorized by this title in nonprofit private schools within the State, the Secretary shall administer such program in such private schools. In such event, the Secretary shall withhold from the funds allocated to any such State under section 802 an amount which bears the same ratio to such funds as the number of free and reduced price meals, served in nonprofit private schools in such State in the latest preceding fiscal year for which the Secretary determines data are available at the time such funds are withheld, bears to the total number of such meals served in all schools within such State in such preceding fiscal year.

RESERVE OF FUNDS FOR SCHOOLS

SEC. 805. Thirty-three and one-third per centum of the funds available for use in connection with the school food service program shall be reserved to assist schools without a food service program, and schools which do not serve breakfasts or lunches but which plan to use food service equipment to initiate a breakfast or lunch program. The Secretary shall allocate the funds so reserved among the

States on the basis of the ratio of the number of children in each State enrolled in schools without a food service program and in schools moving toward the initiation of the service of breakfasts to the number of children in all States enrolled in schools without a food service program and in schools moving toward the initiation of the service of breakfasts. In those States in which the Secretary administers the food service equipment assistance program in nonprofit private schools, the Secretary shall withhold from the funds allocated to any such State under this section an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service program and in nonprofit schools moving toward the initiation of the service of breakfasts bears to the total number of children in the State enrolled in schools without a food service program and in schools moving toward the initiation of the service of breakfast. The funds so reserved, allocated and withheld shall be used by the State, or the Secretary in the case of nonprofit private schools, only to assist schools without a food service program and schools moving toward the service of breakfasts. If any State cannot use all the funds allocated under this section, the Secretary shall reallocate funds to the remaining States for use only in assisting schools without a food service program and schools moving toward the initiation of the service of breakfasts. If, after such reallocation, any funds available under this section remain unused, the Secretary shall reallocate such funds among the States in accordance with the provisions of section 802. Payment to any State of funds allocated under this section shall be made upon the condition that at least one-fourth of cost of the equipment financed under this section shall be financed from sources within the State, except that this condition shall not apply to such funds if the receiving schools are especially needy, as determined by the State.

USE OF FUNDS

SEC. 806. (a) Funds authorized under this title for schools shall be used only for facilities that enable schools, or local public or private nonprofit institutions under the conditions prescribed in subsection (b) of this section, to prepare meals that are not individually preplated unless the school can demonstrate to the satisfaction of the State, (or, in the case of nonprofit private schools in States where the Secretary administers the food service equipment program in such schools, to the satisfaction of the Secretary) that an alternative method of meal preparation is necessary for the introduction or continued existence of the school food service program in such school or to improve the consumption of food or the participation of eligible children in such program.

(b) If a school authorized to receive funds under this section cannot establish a food service program, and the school enters into an agreement with a public or private nonprofit institution to provide the school food service program for children attending the school, the funds available for schools under this title may be used for food service facilities to be located at such institution, if (1) the school retains legal title to such facilities and (2) in the case of funds made available under section 805 of this section, the institution would otherwise be without such facilities.

TITLE IX—DONATED COMMODITIES AND UTILIZATION OF FOODS

FOOD ASSISTANCE

SEC. 901. (a) Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, or purchased under subsection (b) of this section, may be donated by the Secretary to States for distribution among the schools, institutions, and service institutions participating in the food service programs under titles V, VI, and VII of this Act, and participants in the special supplemental food programs under title XIII of this Act, in accordance with the provisions of this title.

(b) The Secretary may, during each fiscal year, purchase and distribute food produced in the United States with funds appropriated from the general fund of the Treasury or transferred from other accounts.

COMMODITY ONLY SCHOOLS

SEC. 902. Foods available for donation under this title shall be made available to schools not participating in the school food service program under this Act for use in carrying out nonprofit school food service programs. The Secretary is authorized to prescribe terms and conditions respecting the use of donated foods by such schools. The requirements of title V of this Act relating to the service of meals without charge or at a reduced charge shall apply to any school utilizing commodities donated under this title.

PROCUREMENT REQUIREMENTS

SEC. 903. In making purchases of foods for programs carried out under this Act, the Secretary shall not issue specifications which restrict participation of local producers unless such specifications will result in significant advantages to the food service programs authorized by this Act. The Secretary shall establish procedures to insure that contracts for the purchase of such foods shall not be entered into unless the previous history and current patterns of the contracting party with respect to compliance with applicable meat inspection laws and with other appropriate standards relating to the wholesomeness of food for human consumption are taken into account.

SELECTION OF FOODS

SEC. 904. (a) In providing assistance under this title for school food service programs, the Secretary shall establish procedures which will (1) insure that the views of local school districts and private nonprofit schools with respect to the type of food assistance needed in schools are fully and accurately reflected in reports to the Secretary by the State with respect to State food preferences and that such views are considered by the Secretary in the purchase and distribution of foods and by the States in allocation of such foods among schools within the States; (2) solicit the views of States with respect to the acceptability of foods; (3) insure that the timing of food deliveries to States is consistent with State school year calendars and that such deliveries occur with sufficient advance notice; (4) provide for systematic review of the costs and benefits of providing foods of the kind and quantity that are suitable to the needs of local school districts and private nonprofit schools; (5) make available technical assistance on the use of foods available under this Act.

(b) Donated foods may be distributed to service institutions that can use the foods efficiently and effectively, as determined by the Secretary, and to participants in the special supplemental food program under title XIII of this Act.

REFUSAL OF FOODS

SEC. 905. Any school participating in school food service programs under this Act may refuse to accept delivery up to 20 per centum of the total value of foods tendered to it in any school year; and if a school refuses such foods, that school may receive other foods to the extent that other foods are available to the State during that year.

STATE ADVISORY COUNCIL

SEC. 906. Each State agency that receives assistance for schools under this title for any school year shall establish for such year an advisory council, composed of representatives of schools in the State that participate in the school food service program. The council shall advise the State agency with respect to the needs of such schools.

VALUE OF DONATED FOOD ASSISTANCE

SEC. 907. (a) For each twelve-month period beginning with the period ending June 30, 1978, the national average value of food assistance under this title shall be 12.75 cents for each lunch served in the school food service program and 12.75 cents for each lunch and supper served in the child care food program. That amount shall be adjusted, only for free and reduced price lunches served in schools and lunches and suppers served in institutions, on an annual basis for each twelve-month period after June 30, 1978, to reflect changes in the Department of Agriculture's Wholesale Price

Index for Food Used in Schools and Institutions. The index shall be computed and published by the Secretary using five major food components in the Bureau of Labor Statistics' Wholesale Price Index (cereal and bakery products (021), meats, poultry and fish (022), dairy products (023), processed fruits and vegetables (024) and fats and oils (027)). Each of the components shall be weighted using the same relative weight as determined by the Bureau of Labor Statistics. The value of food assistance for each meal shall be adjusted each July 1 by the annual percentage change in a three month simple average value of the Department of Agriculture's Wholesale Price Index for Foods Used in Schools and Institutions for March, April, and May each year. Such an adjustment shall be computed to the nearest one-fourth cent.

(b) The first adjustment prescribed in subsection (a) of this section shall take effect on July 1, 1978.

(c) Starting with the first school year in which a semiannual adjustment is made to the payment factor for paid lunches in accordance with section 501(b)(3), the national average value of food assistance under this title for paid lunches served in schools shall be adjusted on July 1 of that school year and each succeeding school year, in the manner prescribed in subsection (a) of this section, to reflect changes for the preceding twelve-month period in the Department of Agriculture's Wholesale Price Index for Food Used in Schools and Institutions.

(d) Notwithstanding any other provision of this title, not less than 75 per centum of the assistance provided under this section to schools participating in the school food service program shall be in the form of foods.

CASH IN LIEU OF FOODS

SEC. 908. (a) Not later than May 15 of each school year, the Secretary shall make an estimate of the value of foods donated under this title that will be delivered during that school year to States for lunches served in the school food service program. If such estimated value is less than the total level of food assistance authorized for the school food service program under section 906 (a) of this title, the Secretary shall pay to each State agency, not later than June 15 of that school year, an amount of funds that is equal to the difference between the value of such deliveries as then programed for such State and the total level of food assistance authorized under section 907 (a) of this title. In any State in which the Secretary directly administers the school food service program in any of the schools of the State, the Secretary shall withhold from the funds to be paid to such State under the provisions of this section an amount that bears the same ratio to the total of such payment as the number of lunches served in schools in which the school food service program is directly administered by the Secretary during that school year bears to the total of lunches served under the school food service program in all the schools in such State in such school year. Each State agency, and the Secretary in the case of private schools in which the Secretary directly administers the school food service program, shall promptly and equitably disburse such funds to schools participating in the school food service program to purchase foods produced in the United States for their food service programs. Such foods shall be limited to the requirements for lunches and breakfasts for children as provided for in regulations issued by the Secretary.

(b) Notwithstanding any other provision of law, where a State phased out its distribution facilities prior to June 30, 1974, such State may, for purposes of the programs authorized by this Act, elect to receive cash payments in lieu of donated foods. Where such an election is made, the Secretary shall make cash payments to such State in an amount equivalent in value to the donated foods that the State would otherwise have received if it had retained its distribution facilities. The amount of cash payments in the case of lunches shall be governed by section 907 (a) of this title. When such payments are made, the State agency shall promptly and equitably disburse any cash it receives in lieu of foods to eligible schools and institutions, and such disbursements shall be used by such schools and institutions, to purchase foods produced in the United States for their food service programs.

(c) Any State agency receiving food assistance under this title for institutions participating in the child care food program under title VI of this Act may, upon application to the Secretary, receive cash in lieu of some or all of the foods to which it would otherwise be entitled under section 907 (a) of this title. In determining whether to request cash in lieu of foods, the State agency shall take into account the needs and preferences of the participating institutions within the State.

(d) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), as amended, to make any payments to States authorized under such title. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purpose of said section 32.

TITLE X—SPECIAL MILK PROGRAM FOR CHILDREN

AUTHORIZATION

SEC. 1001. The Secretary is authorized to carry out a program to encourage consumption of fluid milk by children in the United States enrolled in (a) schools that do not participate in the school food service program authorized under this Act; and (b) institutions, service institutions, and similar nonprofit organizations devoted to the care and training of children. Institutions listed under (b) which participate in another food service program authorized under this Act may receive reimbursement under this program for the milk which is a component of meals served to children who do not qualify for or receive free meals in such food service program.

FREE MILK

SEC. 1002. Children who are members of families whose annual income does not exceed 125 per centum of the applicable family-size income level prescribed by section 505 of this Act shall be eligible for free milk in schools and institutions participating in the program under this title.

REIMBURSEMENT RATE

SEC. 1003. (a) For the school year ending June 30, 1978, and for subsequent school years, the rate of reimbursement for a half-pint of milk served in eligible schools and other institutions to children other than children eligible for and receiving free milk shall be 6.25 cents per half-pint served and such rate of reimbursement shall be adjusted on an annual basis each school year thereafter, beginning with the school year ending June 30, 1979, to reflect changes in the Wholesale Price for Milk published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent. Such reimbursement shall not exceed the cost to the school or institution of milk served to children.

(b) For the school year ending June 30, 1978, and for subsequent school years, reimbursement for milk served to children eligible for and receiving free milk shall equal the cost to the school or institution of such milk.

TITLE XI—NUTRITION EDUCATION AND TRAINING PROGRAM

RECOGNITION OF NEED

SEC. 1101. The Congress recognizes that—

(a) the proper nutrition of the Nation's children is a matter of the highest priority;

(b) the lack of understanding of the principles of nutrition and their relationship to health can contribute to a child's rejection of nutritious quality food resulting in a dietary intake which does not achieve the nutritional goals for children of various ages;

(c) there is a need to provide children with knowledge and motivation to help them develop food and nutrition attitudes and practices which are fundamental to their health and well-being throughout life;

(d) the motivation of children to practice sound eating habits can be improved by providing teachers with instruction in the principles of nutrition and methodologies to present nutrition messages to children; and

(e) the quality and acceptability of meals served in child nutrition programs can be improved by providing food service personnel with opportunities for training in food service management skills and principles.

PURPOSE

SEC. 1102. (a) It is the purpose of this title to provide comprehensive nutrition education and training programs for children eligible to participate in the child nutrition programs, for teachers, and for food service workers by establishing a system of grants to State educational agencies.

(b) The nutrition education and training programs shall include but not be limited to (1) the development and conduct of an instructional program for children in regard to the nutritional value of foods, the relationship of food and human health, and knowledge necessary for individuals to make wise food choices; the development and conduct of an instructional program for early childhood, elementary and secondary educational personnel with respect to the relationship between food, nutrition and health and with respect to educational methods and issues relating to nutrition; and development and use of classroom materials and curriculums, as needed; and (2) the development and conduct of training for food service personnel in principles of nutrition and the principles and practices of food service management; and the development and use of training materials and aids, as needed.

DEFINITIONS

SEC. 1103. For purposes of this title, the term (a) "nutrition education" means (1) a multidisciplinary program by which information about foods and nutrients is imparted in a manner that children receiving such information will understand the principles of nutrition and be motivated to maximize their well-being through sound food habits and dietary practices, and (2) an instructional program for teachers in sound principles of nutrition and in education strategies to present nutrition information to children and to better utilize the child nutrition programs to reinforce classroom instruction; and (b) "training" means an instructional program for food service personnel in principles of nutrition and food service management to improve the quality and acceptability of meals served in child nutrition programs.

ADMINISTRATION

SEC. 1104. (a) The Secretary is authorized to formulate and carry out a nutrition education and training program through a system of grants to State educational agencies. In formulating the program the Secretary may solicit the advice and recommendations of the National Advisory Council on Child Nutrition; State educational agencies, and other interested groups and individuals concerned with improvement of child nutrition. Such advice and recommendations shall be made available in a systematic manner to each State educational agency.

(b) If in any State, the State educational agency is prohibited by law from administering the program authorized by this title in nonprofit private schools and institutions, the Secretary may administer the program in such schools and institutions for the same purposes and subject to the same conditions as are applicable to States under this title.

(c) The Secretary, in carrying out the provisions of this title, shall make grants to State educational agencies, who in turn may contract with institutions of higher education or with public or private nonprofit education or research institutions, or with other nonprofit organizations, for the purpose of carrying out nutrition education and training programs.

(d) The program is to be coordinated at the State level with other nutrition activities conducted by education, health, and State cooperative extension service agencies.

(e) If a State educational agency in conducting or applying to conduct a health education program which includes a school-related nutrition education component as defined by the Secretary, and that health education program is eligible for funds under programs administered by the Department of Health, Education, and Welfare, the Secretary may make funds authorized in this section available to the Department of Health, Education, and Welfare to fund the nutrition education component of the State program without requiring an additional grant application.

AGREEMENTS; USE OF FUNDS BY STATE EDUCATIONAL AGENCIES

SEC. 1105. (a) The funds made available under this title may, under guidelines established by the Secretary, be used by State educational agencies for (1) employing a nutrition education specialist to coordinate the program, including travel and related personnel cost; (2) undertaking an assessment of the nutrition education and training needs of the State; (3) developing a State plan of operation and management for nutrition education and training; (4) planning, developing, and conducting nutrition education and training programs and workshops for food service and education personnel; (5) coordinating and promoting nutrition information and education activities in local school districts (utilizing the child nutrition programs as a learning laboratory, to the maximum extent practicable); (6) contracting with institutions of higher education or with public and private nonprofit organizations for the conduct of nutrition education and training programs related to the purposes stated in section 1102; and (7) related nutrition education and training purposes, including the preparation, testing, distribution, and evaluation of visual aids and other informational and educational materials, as determined necessary.

(b) Any State which has not previously participated in a nutrition education and training program similar to that authorized by this title, may, at the time of application for participation, apply for advance funds, for the purpose of carrying out the responsibility described in clause (1) of subsection (a) of this section.

(c) Any State which has not previously conducted a needs assessment meeting the requirements of this title, may, after employing a State coordinator, apply for and receive assessment and planning funds for the purpose of carrying out the responsibilities described in clauses (2) and (3) of subsection (a) of this section.

(d) Such State which has completed the responsibilities defined in clauses (1) and (2) of subsection (a) of this section, shall annually submit a State plan for approval by the Secretary before receiving any further funds under this title.

(e) An amount not to exceed 15 per centum of each State's grant may be used for up to 50 per centum of the expenditures for overall administrative and supervisory purposes in connection with the program authorized under this title. The State must match the same amount received for administrative and supervisory expenses by funds from sources within the State. The administrative and supervisory costs include but are not limited to costs for financial management, audits, personnel management, data processing, recordkeeping, reporting requirements, and for supervision of the coordinator.

(f) Nothing in this section shall prohibit State agencies or schools from making available or distributing to adults nutrition education materials, resources, or activities authorized under this title.

STATE COORDINATOR

SEC. 1107. (a) Any State which has not previously participated in a nutrition education and training program of the type authorized by this title, shall appoint a nutrition education and training specialist to serve as a State coordinator for nutrition education and training.

(b) The State coordinator shall assess the nutrition education and training needs of the State. Such assessment shall include but not be limited to the scope, reach, and content of current activities including methods and materials available for nutrition education inside and outside the classroom for training food-service personnel and for training of teachers in the principles of nutrition and nutrition education. The assessment shall also identify State and local individual, group, and institutional resources within the State for materials, facilities, staffs, and methods related to nutrition education and training.

(c) Each State coordinator shall annually develop, prepare, and furnish the Secretary, for approval, a comprehensive plan for nutrition education and training within each State. The Secretary shall act on such plan not later than sixty days after it is received. Each such plan shall describe (1) the findings of the nutrition education and training needs assessment within the State or an analysis of the accomplishments of previous State plans; (2) provisions for coordinating the nutrition education and training program carried out under this title with any related publicly supported programs being carried out within the State; (3) plans for soliciting the advice and recommendations of the State educational agency, interested teachers, food and nutrition professionals and paraprofessionals, food service personnel, administrators, representatives from consumer groups, parents, students, and other individuals within the State concerned with the improvement of child nutrition; and (4) plans for implementing instructional programs for children in the nutritional value of foods and the relationships among food, nutrition, and health; for training food service personnel in the principles and skills of food service management; for instructing teachers in sound principles of nutrition education to meet the identified needs of the State; and for coordinating these activities with food service programs.

(d) The State agency shall continue to employ a nutrition education and training specialist to serve as the State coordinator throughout the implementation of the program under this title. The State coordinator shall coordinate programs under this title with all other nutrition education and training programs provided by the State with Federal or State funds.

APPROPRIATIONS AUTHORIZED

SEC. 1108. (a) For the fiscal year beginning October 1, 1978, the Secretary shall make grants to States to carry out the program authorized by this title in an amount equal to 50 cents for each child enrolled in schools or in institutions participating in the program authorized under title VI;

Provided, That the Secretary may withhold up to 10 per centum of such funds to carry out innovative research, evaluation, development, and demonstration projects relevant to the purposes of this title: *Provided further*, That no State shall receive less than $75,000. The data utilized for this computation shall be the latest available to the Secretary. There is hereby authorized to be appropriated for such fiscal year such sums as are necessary to fulfill the requirements of this subsection.

(b) For the fiscal year beginning October 1, 1979, there is hereby authorized to be appropriated an amount equal to the sum of, for each State, the higher of (1) 50 cents for each child in the State enrolled in schools or in institutions participating in the program authorized by title VI, or (2) $75,000. For such fiscal year, not less than 90 per centum of funds appropriated for purposes of this title shall be allocated to States on the basis of the ratio that the number of children enrolled in schools and in institutions participating in the program authorized by title VI, in each State, bears to the total number of such children so enrolled in all States: *Provided*, That no State shall receive less than $75,000. The data utilized for this allocation shall be the latest available to the Secretary. The Secretary is authorized to withhold not more than 10 per centum of the funds appropriated under this subsection for such fiscal year to carry out innovative research, evaluation, development, and demonstration projects relevant to the purposes of this title.

(c) For each fiscal year, the Secretary shall expend any funds withheld to carry out innovative research, evaluation, development, and demonstration projects in the following manner: (1) One-half of the funds withheld shall be reserved for grants to State educational agencies, and (2) the remainder of the funds withheld shall be reserved for grants to, or contractual or other arrangements with, institutions of higher education, public and nonprofit private educational or research institutions, or other nonprofit organizations.

ADMINISTRATION BY SECRETARY

Sec. 1109. If the State educational agency in any State is prohibited by law from administering the program authorized by this title in nonprofit private schools and in any institutions participating in the program authorized by title VI, within the State, the Secretary shall withhold from the funds allocated to that State under subsections (a) and (b) of this section an amount which bears the same ratio to such funds as the number of children enrolled in such schools and institutions in that State bears to the total number of children enrolled in all schools and in all institutions participating in the program authorized by title VI, in that State.

TITLE XII—STATE ADMINISTRATIVE EXPENSES

AUTHORIZATION

SEC. 1201. (a) There is hereby authorized to be appropriated for each fiscal year an amount not to exceed one and one-half percent of the Federal funds expended by each State under titles V, VI, and X or predecessor programs during the second preceding fiscal year, but not less than the amounts necessary to meet the requirements of subsections (b), (c), and (d) of this section and of section 1203.

(b) The Secretary shall allocate to each State for administrative costs associated in any fiscal year with programs authorized under this Act, except for the programs authorized by titles VI, VII, and XIII, an amount not less than 0.75 per centum and not more than 1 per centum of the funds expended by each State under titles V and X or predecessor programs during the second preceding fiscal year. In no case shall the grant to any State under this subsection be less than the amount such State was allocated in the fiscal year ending September 30, 1978.

(c) The Secretary shall allocate to each State for its administrative costs incurred under title VI in any fiscal year an amount, based upon funds expended under title VI or a predecessor program in the second preceding fiscal year, equal to (1) 20 per centum of the first $50,000, (2) 10 per centum of the next $100,000, (3) 5 per centum of the next

$250,000, and (4) 2½ per centum of any remaining funds. The Secretary may adjust any State's allocation to reflect changes in the size of its program.

(d) The remaining funds appropriated under this section shall be allocated to States by the Secretary in such amounts as the Secretary determines necessary for the improvement of the administration of this Act, except for title XIII, including but not limited to improved program integrity and the quality of meals served to children.

SUMMER FOOD SERVICE PROGRAM

SEC. 1202. From the funds appropriated for title VII, the Secretary shall pay to each State for its administrative costs in any fiscal year an amount based upon funds expended under title VII or a predecessor program in the preceding fiscal year for which the amounts are to be paid, equal to (A) 20 per centum of the first $50,000, (B) 10 per centum of the next $100,000, (C) 5 per centum of the next $250,000 and (D) 2½ per centum of any remaining funds. The Secretary may adjust any State's allocation to reflect changes in the size of its program.

ASSUMPTION OF PROGRAM ADMINISTRATION

SEC. 1203. If any State assumes responsibility for the administration of food service programs in schools which are nonprofit and private or institutions previously administered by the Secretary, the Secretary shall make an appropriate adjustment in the administrative funds allocated under this title to the State, not later than the succeeding fiscal year.

MAINTENANCE OF EFFORT

SEC. 1204. Funds under this title shall be made available only to States that maintain a level of funding from State sources for administration of programs under this Act, except titles X and XIII, equal to or greater than the amount expended in fiscal year 1978.

USE OF FUNDS

SEC. 1205. (a) Funds available to States under sections 1201 and 1202 shall be used for the costs of administration of the programs for which the allocations are made, except that States may transfer up to 10 per centum of any of the amounts allocated among such programs.

(b) Any State agency may use a portion of the funds made available under subsection (b) of section 1201 to assist in the administration of the commodity distribution program authorized under title IX of this Act.

UNUSED FUNDS

SEC. 1206. Notwithstanding any other provision of law, funds available to each State under this title for any fiscal year that are not obligated in that fiscal year or deobligated at a later time shall be available for use by the State in the succeeding fiscal year. The Secretary shall establish procedures for the recovery of unobligated or deobligated funds to prevent the accumulation of excessive funds by any State and the Secretary shall reallocate such funds among the States to improve operations of the programs under this Act except under title XIII.

ALTERNATE AGENCY

SEC. 1207. Notwithstanding any other provision of this Act, the Secretary is authorized to make available to any alternate agency for the administration of the program under title V the amount of funds from that State's administrative expense allocation under section 1201 as deemed necessary by the Secretary to assure adequate administration of such program.

STAFFING PATTERN

SEC. 1208. The Secretary, in cooperation with the States, shall develop State staffing standards for the administration by each State of the programs authorized under this Act, except title XIII, that will insure sufficient staff for the planning and administration of such programs.

TITLE XIII—SPECIAL SUPPLEMENTAL FOOD PROGRAM

DECLARATION OF PURPOSE

SEC. 1301. The Congress finds that substantial numbers of pregnant women, infants, and young children from families with inadequate income are at special risk with respect to their physical and mental health by reason of inadequate nutrition or helath care, or both. It is, therefore, the purpose of the program authorized by this title to provide supplemental nutrition and nutrition education, as an adjunct to good health care, during critical times of growth and development, to prevent health problems and improve health status.

DEFINITIONS

SEC. 1302. As used in this title:

(a) "Administrative costs" means costs which shall include, but not be limited to costs for certification; centrifuges, measuring boards, and scales used for certification; food delivery; monitoring; nutrition education; outreach; start-up costs and general administration applicable to carrying out the Program under this title, such as the cost of staff, warehouse, transportation, insurance, developing, and printing food instruments, and administration of State and local offices.

(b) "Breastfeeding women" means women up to one year postpartum who are breastfeeding their infants.

(c) "Children" means persons from the first to the third birthday.

(d) "Competent professional authority" means physicians, nutritionists, registered nurses, dietitians, or State or local medically trained health officials, in accordance with standards prescribed by the Secretary, as being competent professionally to evaluate nutritional risk.

(e) "Infants" means persons under one year of age.

(f) "Local agency" means a public health or welfare agency or a private, nonprofit health or welfare agency, which, directly or through an agency or physician with which it has contracted, provides health services. The term shall include an Indian tribe, band, or group recognized by the Department of the Interior, the Indian Health Service of the Department of Health, Education, and Welfare, or an intertribal council or group which is an authorized representative of Indian tribes, bands, or groups recognized by the Department of the Interior.

(g) "Nutrition education" means individual or group sessions and the provision of materials, designed to improve health status, achieve positive change in dietary habits, and emphasize relationships between nutrition and health.

(h) "Nutritional risk" means (1) certain nutritional conditions detectable by biochemical or anthropometric measurements, (2) other documented nutritionally related medical conditions, (3) inadequate nutritional patterns, or (4) conditions which predispose persons to inadequate nutritional patterns or nutritionally related medical conditions.

(i) "Plan of operation and administration" means a document which describes the manner in which the State intends to implement and operate the program.

(j) "Postpartum women" means women up to six months after termination of pregnancy.

(k) "Pregnant women" means women determined to have one or more fetuses in utero.

(l) "State agency" means the health department of each State; an Indian tribe, band, or group recognized by the Department of the Interior; an intertribal council or group which is the authorized representative of Indian tribes, bands, or groups recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare.

(m) "Supplemental foods" means those foods containing nutrients determined by nutritional research to be lacking in the diets of pregnant and postpartum women, infants, and children.

PROGRAM AUTHORIZATION

SEC. 1303. The Secretary is authorized to carry out a special supplemental food program to assist State agencies through grants-in-aid to provide, through local agencies, at no cost, supplemental foods and nutrition education to low-income pregnant, postpartum, and breastfeeding women, infants, and children who meet the eligibility requirements specified in section 1304 of this title. The program shall be supplementary to the food stamp program (91 Stat. 958) and to any program under which foods are distributed to needy families in lieu of food stamps.

ELIGIBILITY OF PERSONS

SEC. 1304. (a) Participation in the program under this title shall be limited to pregnant, postpartum, and breastfeeding women, and infants and children from low-income families who are determined by a competent professional authority to be at nutritional risk. Children age three or over participating at the time of enactment shall be allowed to continue participating until they reach their fifth birthdays, if such children continue to be at nutritional risk and meet the income standard prescribed in subsection (b) of this section.

(b) The Secretary shall establish income eligibility standards to be used in conjunction with the nutritional risk criteria in determining eligibility of persons for participation in the program. Persons at nutritional risk shall be eligible for the program if they are members of families that meet the income standards prescribed for free and reduced price school meals in accordance with sections 505(a) and 505(d) of this Act. A competent professional authority shall be responsible for prescribing the appropriate supplemental foods, taking into account medical and nutritional conditions and cultural eating patterns.

(c) Persons shall be certified for participation in accordance with general procedures prescribed by the Secretary.

NATIONAL ADVISORY COUNCIL ON MATERNAL, INFANT, AND FETAL NUTRITION

SEC. 1305. (a) There is hereby established the National Advisory Council on Maternal, Infant, and Fetal Nutrition (referred to in this section as the "Council") composed of nineteen members appointed by the Secretary. One member shall be a State director of a program under this title; one member shall be a State official responsible for a commodity supplemental food program (87 Stat. 249, as amended) : one member shall be a State fiscal officer of a program under this title (or the equivalent thereof) ; one member shall be a State health officer (or the equivalent thereof) ; one member shall be a local agency director of a program under this title in an urban area; one member shall be a local agency director of a program under this title in a rural area; one member shall be a project director of a commodity supplemental food program; one member shall be a State public health nutrition director (or the equivalent thereof) ; one member shall be an official of a local agency serving migrant populations; one member shall be an official from a State agency serving predominately Indians;

three members shall be parent participants of a program under this title or of a commodity supplemental food program; one member shall be a pediatrician; one member shall be an obstetrician; two members shall be officials of the Department of Health, Education, and Welfare appointed by the Secretary of Health, Education, and Welfare; and two members shall be officials of the Department of Agriculture appointed by the Secretary.

(b) Members of the Council appointed from outside the Department of Agriculture and the Department of Health, Education, and Welfare shall be appointed for terms not exceeding three years. State and local officials shall serve only during their official tenure and the tenure of parent participants shall not exceed two years. Persons appointed to complete an unexpired term shall serve only for the remainder of such term.

(c) The Secretary shall designate a Chairman and a Vice Chairman. The Council shall meet at the call of the Chairman, but shall meet at least once a year. Ten members shall constitute a quorum.

(d) The Council shall make a continuing study of the operation of the program under this title and related programs to determine how the program may be improved. The Council shall submit to the President and the Congress in even-numbered years, beginning with the fiscal year ending September 30, 1980, a written report, together with its recommendations.

(e) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions.

(f) Members of the Council shall serve without compensation but shall be reimbursed for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council: *Provided*, That parent participation members of the Council, in addition to reimbursement for necessary travel and subsistence, shall, at the discretion of the Secretary, be compensated in advance for other personal expenses related to participation on the Council, such as child care expenses and lost wages during scheduled Council meetings.

NUTRITION EDUCATION

SEC. 1306. (a) The State agency shall assure that nutrition education shall be provided to all pregnant, postpartum, and breastfeeding participants and to persons who are parents or caretakers of infant and child participants. The State agency may also provide nutrition education to pregnant, postpartum, and breastfeeding women and to parents or caretakers of infants and children who are enrolled at local agencies operating the program under this title but who do not participate in the program. The Secretary shall prescribe standards to insure adequate nutrition education services are provided. The State agency shall provide training for persons providing nutrition education under this title. Nutrition education shall be evaluated annually by each State agency, and such evaluation shall include the views of participants concerning the effectiveness of the nutrition education they received. Nutrition education materials and sessions shall be provided in languages other than English in areas where substantial numbers of low-income households speak a language other than English.

(b) The Secretary shall, after submitting proposed nutrition education materials to the Secretary of Health, Education, and Welfare for comment, issue such materials for use in the program under this title.

ADMINISTRATION

SEC. 1307. (a) Each State agency shall annually submit to the Secretary, by a date specified by the Secretary, a plan of program operation and administration for approval by the Secretary as a prerequisite to receiving funds under this title. The plan shall include (1) a list of all areas and special populations, in priority order based on relative need, within the jurisdiction of the State agency and the State agency's plans to initiate or expand operations under the program in areas most in need of supplemental foods; (2)

nutrition education goals and action plans, including a description of the methods which shall be used to meet the special nutrition education needs of migrants and Indians; (3) a description of how the State will distribute administrative funds, including startup funds, to local agencies operating under the program; (4) a description of the State agency's financial management system; (5) a description of methods used to determine nutritional risk; (6) a budget for administrative funds; (7) the staffing pattern; (8) a description of how the State plans to coordinate operations under the program with special counseling services such as, but not limited to, family planning, alcohol and drug abuse counseling and child abuse counseling, and with the food stamp program (91 Stat. 958), and (9) such other information as the Secretary may require. The Secretary shall not approve any plan which permits any person to participate simultaneously in both the special supplemental food program and the commodity supplemental food program.

(b) The Secretary shall establish procedures whereby eligible persons who are members of migrant populations may, to the maximum extent possible, continue to participate in the program as such persons move among States. Each State agency shall be responsible for administering the program for migrant populations within its jurisdiction.

The State agency shall be required to use appropriate foreign language program materials in the administration of the program where substantial numbers of persons speak a language other than English.

(c) State agencies shall be required to submit to the Secretary monthly financial reports and participation data.

(d) States and local agencies operating the program under this title shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this title and the regulations issued pursuant to this title. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines necessary.

(e) If a person certified for participation in the program in one area moves to another area in which the program is operating, the person's certification shall remain valid for the period for which the person was originally certified.

(f) The Secretary shall establish standards for the proper, efficient, and effective administration of the program. If the Secretary determines that a State agency is not administering the program in a manner consistent with this title, the Secretary may apply sanctions as he deems appropriate, including withdrawing all or part of the State agency's administrative funds.

(g) In regulations for the program under this title, the Secretary shall prescribe the supplemental foods to be made available. To the degree possible, the Secretary shall assure that the fat, sugar, and salt content of foods made available is moderate. Use of commercially available products specifically designed for women or infants shall be available, at the discretion of the Secretary.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1308. There is hereby authorized to be appropriated $535,500,000 for fiscal year ending September 30, 1979, and such sums as are necessary for the fiscal years ending September 30, 1980, September 30, 1981, and September 30, 1982, for the purposes of carrying out the program authorized by this title. Of the sums appropriated for any fiscal year for the program under this title, one-half of 1 per centum, not to exceed $3,000,000, shall be available to the Secretary for the purpose of evaluating program performance, evaluating health benefits, and administration of pilot projects, including projects designed to meet the special needs of migrant populations, Indians, and rural populations.

DISTRIBUTION OF FUNDS

SEC. 1309. Funds authorized for the program shall be distributed to State agencies on the basis of a formula determined by the Secretary. For purposes of the formula, if Indians are being served by the health department of a State, the formula will be based on the State population inclusive of the Indians within the State boundaries. If Indians residing in the State are being served by a State agency other than the health department of the State, the population of the tribes within the jurisdiction of the State being so served shall not be included in the formula used to fund the State and those funds shall be provided to the State agency serving the Indians. Funds made available but not expended shall be available to the Secretary for reallocation.

ADMINISTRATIVE FUNDS

SEC. 1310. (a) The Secretary shall make 20 per centum of the funds provided under this title each fiscal year (other than funds expended for evaluation and pilot projects pursuant to section 1308) available for State agency administrative costs. When reallocating funds, the Secretary may exceed the 20 per centum limitation for administrative costs if this is necessary for the proper, efficient, and effective administration of the program.

(b) The Secretary, for each of the fiscal years 1979 through 1982, shall allocate administrative funds to each State agency on the basis of a formula determined by the Secretary, which shall include a minimum amount.

(c) During the first three months of a local agency's operation under the program, or until a local agency reaches its projected caseload, whichever comes first, the State agency shall finance in advance from funds made available under subsection (b) of this section, the administrative costs necessary to initiate the local agency's operation under the program successfully.

TITLE XIV—MISCELLANEOUS PROVISIONS

REGULATIONS

SEC. 1401. (a) The Secretary shall prescribe such regulations as he may deem necessary to carry out this Act. The Secretary shall promulgate all such regulations in accordance with the procedures set forth in section 553 of title V of the United States Code.

(b) The Secretary may prescribe regulations relating to the service of food in participating schools and institutions in competition with the programs authorized under this Act, and shall promulgate all such regulations in accordance with the procedures set forth in section 553 of title V of the United States Code. Such regulations shall not prohibit the sale of competitive foods approved by the Secretary in food service facilities or areas during the time of service of food under this Act if the proceeds from the sales of such foods will insure to the benefit of the schools, or of organizations of students approved by the schools.

(c) The Secretary may provide in the regulations for the reserve of up to 1 per centum of the funds available for allocation to any State under titles V and VI to carry out special developmental projects in such State designed to improve the operation of programs authorized under title V, VI, or VII of this Act.

(d) The Secretary shall publish proposed regulations relating to the implementation of the summer food service by November 1 of each fiscal year, final regulations by January 1 of each fiscal year, and guidelines, applications and handbooks by February 1 of each fiscal year.

ACCOUNTS AND RECORDS

SEC. 1402. State agencies, schools, and service institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with the requirements of this Act. Such accounts and records shall be available at all times for inspection and audit by representatives of the Secretary, the Comptroller General of the United States, and appropriate State representatives and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

PROHIBITIONS

SEC. 1403. (a) In carrying out the provisions of title V of this Act, neither the Secretary nor the State shall impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction as a condition to participation.

(b) The value of assistance to beneficiaries under this Act shall not be considered as income or resources for any purpose under any Federal or State laws including but not limited to laws relating to taxation, welfare, and public assistance programs. Except for schools as defined in section 201 (i) (1), expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act.

STATE RESPONSIBILITIES

SEC. 1404. (a) States shall have responsibility for the proper, effective, and efficient administration of the programs under this Act. If the Secretary determines, after consultation with the chief State school officer, or other appropriate State official, that a State has failed without good cause to administer properly a program or programs authorized under this Act (other than under title XIII), as evidenced by continuing serious deficiencies in program administration such as substantial failure to comply with a provision of this Act or regulations issued pursuant to this Act, the Secretary shall inform the State of such deficiency, and shall allow the State a specified period of time for its correction. If the State does not take sufficient actions to correct such deficiency within that period, the Secretary shall withhold from the State such funds allocated to the State under title XII as deemed appropriate.

(b) If the Secretary determines that there is a substantial failure by a State or a school food authority to comply with this Act or the regulations issued pursuant to this Act, after information concerning such failure has been communicated by the Secretary to such State or by the State to such school food authority, and a specified period of time has been allowed for the correction of such failure, the Secretary may refer the matter to the Attorney General with a request that injunctive relief be sought to require compliance forthwith. Upon suit by the Attorney General in an appropriate district court of the United States having jurisdiction of the geographic area in which the State or school food authority is located and a showing that noncompliance has occurred, appropriate injunctive relief shall issue. Such injunctive action shall be in addition to other actions the Secretary is authorized to take under this Act.

CONSULTING WITH THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

SEC. 1405. The Secretary shall, in the administration of programs under this Act, consult with the Secretary of Health, Education, and Welfare on areas of mutual interest.

REDUCTION OF PAPERWORK

SEC. 1406. The Secretary shall reduce, to the maximum extent possible, the paperwork required of State agencies and schools participating in the school food service program. The Secretary shall report to Congress by November 10, 1978, on the extent to which such a reduction in paperwork has occurred.

PENALTIES

SEC. 1407. Whoever embezzles, willfully misapplies, steals, or obtains by fraud any funds, assets, or property which are the subject of a grant or other form of assistance under this Act, whether received directly or indirectly from the United States Department of Agriculture, or whoever receives, conceals, or retains such funds, assets, or property to his use or gain, knowing such funds, assets, or property have been embezzled, willfully misapplied, stolen or obtained by fraud shall, if such funds, assets, or property are of the value of $100 or more, be fined not more than $10,000 or imprisoned not more than five years, or both, or if such funds, assets, or property are of a value of less than $100, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

TITLE XV—APPROPRIATION AUTHORIZATION

SEC. 1501. (a) There is hereby authorized to be appropriated for each fiscal year such sums as may be necessary to enable the Secretary of Agriculture to (1) carry out the programs under titles V, VI, IX, and X, (2) conduct necessary surveys, studies, and demonstration projects for the purpose of determining whether there may be more efficient, healthful, economical, and reliable methods of operating the programs authorized under this Act, including methods to improve meal quality and participation by children, and (3) administer at the Federal level the programs authorized by this Act.

(b) For the fiscal years beginning October 1, 1978, and ending September 30, 1980, there are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of title VII.

(c) There is hereby also authorized to be appropriated each fiscal year to the Secretary $1,000,000 to carry out, through grants-in-aid and other means, experimental or demonstration projects to teach children the nutritional value of foods and the relationship of nutrition to health, and research and development to develop materials and techniques for the innovative presentation of nutritional information.

(d) Appropriations to carry out the provisions of this Act are authorized to be made a year in advance of the fiscal year in which the funds will become available for obligation to the State.

(e) Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of this Act shall remain available for the purposes for which appropriated until expended.

TITLE XVI—LAWS REPEALED

SEC. 1601. This title repeals the National School Lunch Act and the Child Nutrition Act of 1966, except for section 20 of the National School Lunch Act, as amended, which remains in effect until January 1, 1979.

TITLE XVII—EFFECTIVE DATE AND IMPLEMENTATION

SEC. 1701. (a) The effective date of this Act shall be July 1, 1978.

(b) The Secretary shall implement this Act as expeditiously as possible consistent with efficient and effective administration. The provisions of the National School Lunch Act and the Child Nutrition Act of 1966 which are relevant to current regulations of the Secretary shall remain in effect until such regulations are revoked, superseded, amended, or modified by regulations issued pursuant to this Act.

(c) Pending proceedings under the National School Act or the Child Nutrition Act of 1966 shall not be abated by reason of any provision of this Act, but shall be disposed of pursuant to the applicable provisions of the National School Lunch Act and Child Nutrition Act of 1966 in effect prior to the effective date of this Act.

(d) Appropriations made available to carry out the National School Lunch Act or the Child Nutrition Act of 1966 shall be available to carry out this Act.

95th CONGRESS
2d Session

H. R. 11699

IN THE HOUSE OF REPRESENTATIVES

March 21, 1978

Mr. Perkins (for himself, Mr. Ford of Michigan, Mr. Blouin, Mr. Simon, Mr. Weiss, Mr. Heftel, Mr. Corrada, Mr. Kildee, and Mr. Miller of California) introduced the following bill; which was referred to the Committee on Education and Labor

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A BILL

To amend, revise, and consolidate the provisions of the child nutrition programs authorized by the National School Lunch Act, as amended, and the Child Nutrition Act of 1966, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Child Nutrition Act of 1978".

"STATEMENT OF PURPOSE

"Sec. 2. As a matter of national nutrition and health policy and as a measure of national security, it is the purpose and intent of Congress to safeguard the health and well-being of the Nation's children and to encourage the consumption of nutritious domestic agricultural commodities and other food. The Congress finds that increased utilization of food in establishing and maintaining child nutrition programs will promote the distribution in a beneficial manner of our agricultural abundances and will strengthen our agricultural economy, as well as result in more orderly marketing and distribution of food. In recognition of the demonstrated relationship between food, good nutrition and health, and the capacity of children to develop and learn, it is hereby declared to be the policy of Congress that the child nutrition program shall be expanded and strengthened under the authority of the Secretary of Agriculture by assisting the States, through grants-in-aid and other means in providing an adequate supply of food and other facilities for the establishment, maintenance, operation and expansion of all child nutrition programs, thereby more effectively meeting the nutritional needs of our children.

"DEFINITIONS

"SEC. 3. (a) 'State' means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, Northern Marianas, and the Trust Territory of the Pacific Islands.

"(b) 'State educational agency', means, as the State legislature may determine, (1) the chief State school officer (such as the State Superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education.

"(c) 'Food service equipment assistance' means financial assistance paid or payable to schools for equipment used by schools in storing, preparing, or serving food for school children.

"(d) 'School' means (1) any public or nonprofit private school of high school grade or under, including kindergarten programs operated by such school, (2) any public or licensed nonprofit private residential child care institution (including but not limited to, orphanages and homes for the mentally retarded) and (3) with respect to the Commonwealth of Puerto Rico, nonprofit child care centers certified as such by the Governor of Puerto Rico. For purposes of clauses (1) and (2) of this subsection, the term nonprofit, when applied to any such private school or institution, means any such school or institution which is exempt from tax under the Internal Revenue Code of 1954.

"(e) 'School year' means the annual period determined in accordance with regulations issued by the Secretary.

"(f) 'Consumer Price Index' means the Consumer Price Index series for food away from home statistics published by the Bureau of Labor Statistics of the Department of Labor.

"(g) 'Adjusted semi-annually,' for purposes of payments to States and local entities for costs associated with meal service and commodities, means adjustments of payments to the nearest $\frac{1}{4}$ cent, effective every January 1 and July 1 of each fiscal year, to reflect cost changes in the series for food away from home of the Consumer Price Index for the most recent six-month period ending in November and May, respectively, of such fiscal year.

"(h) 'Secretary' means the Secretary of Agriculture.

"(i) 'Food assistance payment' means the total financial assistance paid or payable to States and participating schools for all meals served to children, which may be paid by way of advance or reimbursement.

"(j) 'National average basic payment' means financial assistance paid or payable to States and participating schools for meals served to children participating in the school meals program.

"(k) 'Reduced-price meal payment' means financial assistance paid or payable to States and participating schools in addition to the national average basic payment for each meal served to children eligible to receive reduced-price meals.

"(l) 'Free meal payment' means financial assistance paid or payable to States and participating schools in addition to the national average basic payment for each meal served to children eligible to receive free meals.

"APPROPRIATIONS

"SEC. 4. Appropriations to carry out the provisions of this Act for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of this Act shall remain available for the purposes of the Act for which appropriated until expended. The sums appropriated for any fiscal year pursuant to the authorization contained herein, excluding the sum specified in section 6, shall be available to the Secretary for supplying agricultural commodities and other foods, and for the costs of operating the programs in accordance with the provisions of this Act.

"SCHOOL MEALS PROGRAM

"SEC. 5(a)(1). For each fiscal year there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary to carry out the provisions of this section. For each fiscal year the Secretary shall make food assistance payments, at such times, as he may determine, from the sums appropriated therefor, to each State educational agency, in a total amount equal to the result obtained by multiplying the number and types of meals (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary under section 15 of this Act) served during such fiscal year to children in schools in such States, which participate in the school meals program under this Act under agreements with such State educational agency, by the appropriate meal payment rate per meal for such fiscal year determined by the Secretary to be necessary to carry out the purposes of this Act. Any school shall receive the school meals program upon its request.

"(2) In any fiscal year, the national average basic payment established by the Secretary shall not be less than 11.50 cents per breakfast and 14.50 cents per lunch. Free and reduced-price meal payments shall be made to each State educational agency in an amount not less than 21.75 cents for each reduced-price breakfast, 55 cents for each reduced-price lunch, 28.75 cents for each free breakfast and 65 cents for each free lunch: *Provided*, That the Secretary may establish appropriate adjustments reflecting the cost differentials in Alaska, Hawaii, Commonwealth of Puerto Rico, Virgin Islands, Guam, American Samoa, the Northern Marianas and the Trust Territories of the Pacific. The meal payment rates shall be adjusted semiannually, provided that the first such adjustment shall be made July 1, 1978.

"(3) Except as provided in section 10 of this Act, the free and reduced-price meal payments made to each State agency during each fiscal year under the provisions of this section shall be used by such State agency to assist schools in financing the cost of providing free and reduced-price meals served to children pursuant to section 9 of this Act, within a maximum per meal amount established by the Secretary. Such maximum amounts established by the Secretary shall not be less than 94.50 cents per lunch and 50.25 cents per breakfast. Food assistance payments to any State under this section shall be adjusted semiannually, provided that the first such adjustment shall be made July 1, 1978.

"(b)(1) The Secretary shall make additional payments for breakfast served to children qualifying for a free or reduced-price meal at schools that are in severe need. The maximum payment for each such free breakfast shall be the higher of:

(A) the free meal payment established by the Secretary for free breakfasts plus 10 cents, or

(B) 45 cents, which shall be adjusted semiannually.

The maximum payment for each such reduced-price breakfast shall be five cents less than the maximum payment for each free breakfast as determined under this section.

“(2) Each State educational agency shall establish eligibility standards for providing additional assistance to schools in severe need where the rate per meal established by the Secretary is insufficient to carry out an effective breakfast program in such a school. Such eligibility standards shall be submitted to the Secretary for approval and included in the State Plan of Child Nutrition Operations required by section 19 of this Act. Pursuant to those State eligibility standards, a school, upon the submission of appropriate documentation about the need circumstances in that school and the school's eligibility for additional assistance, shall be entitled to receive 100 per centum of the operating costs of the breakfast program, including the costs of obtaining, preparing, and serving food, or the meal reimbursement rates specified in paragraph (b) (1) of this section, whichever is less. In those States where State law establishes a requirement that particular schools implement a school breakfast program, those schools shall qualify for payments under subsection (b) (1).

“(c) The Congress finds that although the benefits of a nutritious breakfast are well documented, substantial numbers of children are not receiving school breakfast benefits under this Act, and therefore are not receiving adequate nutrition. To further the purposes of this Act, and assure all needy children of the opportunity to receive adequate nutrition, the school breakfast program shall be implemented within one school year from enactment of this section in all schools wherein 25 per centum or more of the children are participating in the free or reduced-price lunch program, or wherein 100 children are receiving free or reduced-price meals, such date to be based on the October preceding the implementation of the program: *Provided*, That those schools which have no meals program shall implement the school breakfast program if 25 per centum or more of the children, or 100 children, in attendance are eligible for free or reduced-price meals as determined by census tract data, or such other methodology as the Secretary may prescribe. Each State agency shall maintain such records as may be necessary for it to determine when a school within the State is required to implement the breakfast program in accordance with the criteria set out herein.

"(d) (1) In the case of any school which determines that at least 80 per centum of the children in attendance during the school year (hereinafter in this sentence referred to as the "first school year") are eligible for free or reduced-price meals, free and reduced-price meal payments shall be paid to the State educational agency with respect to that school, if that school so requests, for the school year following the first school year, on the basis of the number of free meals or reduced-price meals as the case may be, that are served by that school during the school year for which the request is made, to those children who were determined to be so eligible in the first school year and the number of free meals and reduced-price meals served during that year to other children determined for that year to be eligible for such lunches. In the case of any school that (1) elects to serve all children in that school free meals under this Act during any period of three successive school years and (2) pays, from sources other than Federal funds, for the costs of serving such meals which are in excess of the value of assistance received under this Act with respect to the number of meals served during that period, free and reduced-price payments shall be paid to the State educational agency with respect to that school during that period on the basis of the number of meals determined under the succeeding sentence. For purposes of making free and reduced-price meal payments in accordance with the preceding sentence, the number of meals served by a school to children eligible for free meals and reduced-price meals during each school year of the three-school-year period shall be deemed to be the number of meals served by that school to children eligible for free meals and reduced-price meals during the first school year of such period, unless that school elects, for purposes of computing the amount of such payments, to determine on a more frequent basis the number of children eligible for free and reduced-price meals who are served meals during such period.

"(2) Each school participating in the school meals program under this Act shall report each month to its State educational agency the number of children in the school who received paid, free or reduced-price lunches and the number of children who received paid, reduced-price or free breakfasts during the immediately preceding month. Each participating school shall provide an estimate, as of October 1 and March 1 of each year, of the number of children who are eligible for a free or reduced-price lunch or breakfast.

"(3) The State educational agency of each State shall report to the Secretary each month the number of children in the State who received paid, reduced-price and free lunches, and who received paid, reduced-price and free breakfasts, during the immediately preceding month, and shall certify that the reports required by subsection (d) (2) will be available for review in the office of the State educational agency for not less than one year.

"NONFOOD ASSISTANCE

"SEC. 6. (a) There is hereby authorized to be appropriated $75,000,000 which shall be available to the Secretary for the purpose of providing food service equipment assistance to assist the States through grants-in-aid and other means to schools drawing attendance from areas in which poor economic conditions exist in order to supply them with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain and expand school food service programs. In the case of a nonprofit private school, such equipment shall be for the use of such school principally in connection with child feeding programs.

"(b) (1) Of the funds appropriated for the purposes of this section 33⅓ per centum shall be allocated by the Secretary to assist schools without a food service program. The funds so allocated shall be used by the State, or the Secretary in the case of nonprofit private schools, only to assist schools without a food service program so that they can implement such a program or programs.

"(2) Of the funds appropriated for the purposes of this section, 33⅓ per centum shall be allocated to the Secretary for schools offering either lunch or breakfast meals to assist them to implement a second meal service. The funds so allocated shall be used by the State, or the Secretary in the case of nonprofit private schools, to obtain the nonfood assistance that is needed to implement, for the first time, concurrent operation of lunch and breakfast services in a school.

"(3) Of the funds appropriated for the purposes of this section, 33⅓ per centum shall be allocated to the Secretary for schools that need equipment (including the replacement or repair of equipment that is impaired or antiquated) to prepare and cook hot meals at the schools or at a kitchen that serves the schools and that is operated by the local school food authority or by a nonprofit private school or the authority that is responsible for the administration of one or more nonprofit private schools. The funds so allocated shall be used by the State, or the Secretary in the case of nonprofit private schools, to obtain or replace equipment that is used for the purposes of permitting the school food authority or nonprofit private school to inaugurate or continue the self-preparation of school meals.

"(c) (1) Of the funds allocated pursuant to paragraph (1) of subsection (b) of this section, the Secretary shall apportion the funds so allocated among the States on the basis of the ratio of the number of children in each State enrolled in schools without a food service program to the number of children in all States enrolled in schools without a food service program. In those States in which the Secretary administers the food service equipment assistance program in nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State pursuant to this paragraph and paragraph (1) of subsection (b) of this section an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service program in such State bears to the total number of children enrolled in all schools without a food service program. If any State cannot use all the funds apportioned to it under the provisions of this subsection, the Secretary shall make further apportionment to the remaining States for use only in assisting schools without a food service program. If after such further apportionment any funds received under this subsection remain unused, the Secretary shall immediately apportion such funds among the States in accordance with the provisions of paragraph (2) of subsection (c) of this section for use only in assisting schools pursuant to paragraph (2) of subsection (b) of this section.

(2) Of the funds allocated pursuant to paragraphs (2) and (3) of subsection (b) of this section, the Secretary shall apportion the funds so allocated among the States on the basis of the ratio of the number of children in each State enrolled in schools to the number of children in all of the States enrolled in schools. In those States in which the Secretary administers the food service equipment assistance pro-

gram in nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State pursuant to this paragraph and paragraphs (2) and (3) of subsection (b) of this section an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools bears to the total number of children enrolled in all schools. If any State cannot utilize all of the funds apportioned to it under the provisions of this paragraph, the Secretary shall make further apportionments to the remaining States in the manner set forth in this paragraph: *Provided*, That each State shall establish separate accounts so that the funds apportioned pursuant to paragraph (2) of subsection (b) of this section are not commingled with the funds apportioned pursuant to paragraph (3) of subsection (b) of this section: *Provided further*, That any unused funds that are reapportioned by the Secretary pursuant to this paragraph shall be used solely for the purposes for which they were originally allocated.

"(d) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to assist schools which draw attendance from areas in which poor economic conditions exist and which have no, or inadequate, equipment to conduct school food service programs, and to acquire such equipment. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance and the inability of the school to finance the food service equipment needed. Disbursements to any school may be made by advances or reimbursements, only after approval by the State educational agency of a request by the school for funds, accompanied by a detailed description of the equipment to be acquired and the plans for the use thereof in effectively meeting the nutritional needs of children in the school, using to the maximum extent practicable self-preparation of meals.

"(e) Payments to any State funds under this section shall be made upon the condition that at least one-fourth of the cost of the equipment financed shall be borne by funds from sources within the State, except that such a condition shall not apply with respect to funds used under this section to assist any school that is especially needy, as determined by criteria established by each State and approved by the Secretary. Such criteria shall be published in the State Plan of Child Nutrition Operations that is required by section 16 of this Act.

"(f) The State agency, upon notification by the Secretary of that State's apportionments of funds under this section, shall notify all schools of the availability of these funds, and the criteria for receipt of funds. The notification shall also set forth the State's criteria by which schools may qualify for especially needy, thereby allowing them to receive funds without providing funds from their own resources. A similar notice shall be sent by the State agency upon the notification from the Secretary of any funds received by way of reapportionment.

"(g) (1) Funds authorized for the purposes of this section shall be used only for facilities that enable schools or local public or private nonprofit institutions, including kitchens that serve the schools operated by the local school food authority, under the conditions prescribed in paragraph (2) of this subsection, to prepare and cook hot meals or receive hot meals at the school or institution, unless the school can demonstrate to the satisfaction of the State (or, in the case of nonprofit private schools in the States where the Secretary administers the food service equipment program in such schools, to the satisfaction of the Secretary) that an alternative method of meal preparation is necessary for the introduction of the school lunch or breakfast program in such school: *Provided*, That a school eligible to participate in programs under this section may enter into an agreement with other public or private nonprofit institutions to provide such programs for children attending the school.

"(2) If a school authorized to receive funds under this section cannot establish a food service program of hot meals prepared and cooked by the school, or received by the school, and the school enters into an agreement with a public or private nonprofit institution to provide school lunch and/or breakfast services for children attending the school, the funds provided under this section may be used for food service facilities to be located at such institution, if (A) the school retains legal title to such facilities and, (B) in the case of funds made available under paragraphs (1) and (2) of subsection (b) of this section, the institution would otherwise be without such facilities.

"(h) If, in any State, the State educational agency is prohibited by law from administering the program authorized by this section in nonprofit private schools within the State, the Secretary shall administer such program in such private schools.

"PAYMENTS TO STATES

"SEC. 7. Funds appropriated to carry out section 5 during any fiscal year shall be made available to the States for disbursement by State educational agencies; for the purpose of assisting schools of the States in supplying (a) agricultural commodities and other foods for consumption by children and (b) food service equipment assistance in furtherance of the school meals program authorized under this Act. Such payments to any State in any fiscal year shall be made upon condition that each dollar thereof will be matched by $3 during such year from sources within the State determined by the Secretary as being expended in connection with the school meals program under this Act: *Provided,* That States shall not be required to match payments for free and reduced price meals made to participating schools. In the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal or school year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States. For the purpose of determining whether the matching requirements of this section and section 10, respectively, have been met, the reasonable value of donated services, supplies, facilities and equipment as certified, respectively, by the State educational agency and in the case of schools receiving funds pursuant to section 10, by such schools (but not the cost or value of land, or of the acquisition, construction, or alteration of buildings, or commodities donated by the Secretary, or of Federal contributions), may be regarded as funds from sources within the State expended in connection with the school meals program. For the school year beginning in 1978, State revenue (other than revenues derived from the program) appropriated or used specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local, level) shall constitute at least 10 per centum of the matching requirement for the preceding school year, which level shall be met with respect to the food assistance payments of each State. The State revenues made available pursuant to the preceding sentence shall be disbursed to schools, to the extent the State deems practicable, in such a manner that each school receives the same proportionate share of such revenues as it receives of the funds paid or payable to the State for the same year under section 5 of this Act.

"STATE DISBURSEMENTS TO SCHOOLS

SEC. 8. Funds paid to any State during any fiscal year pursuant to section 7 shall be disbursed by the State educational agency in accordance with such agreements approved by the Secretary as may be entered into by such State agency and the schools in the State. Such disbursement to any school shall be made for the purpose of assisting schools to (a) finance the cost of obtaining agricultural commodities and other foods for consumption by children in the school meals program and the operational costs, and (b) food service equipment assistance in connection with such programs. Such costs may include in addition to the purchase price of agricultural commodities and other foods, the cost of processing, distributing, transporting, storing, handling, preparing, serving and supervising thereof. In no event shall such disbursement for food to any school for any fiscal year exceed an amount determined by multiplying the number of meals served in the school in the school meals program under this Act during such year by the maximum food assistance payments prescribed by the Secretary for the type of meal served. In any fiscal year in which the national average basic payment per meal determined under section 5 is increased above the amount prescribed in the previous fiscal year, the maximum food assistance payment, for the type of meal served, shall be increased by a like amount. Food assistance payments to schools under this section may be made in advance or by way of reimbursement in accordance with procedures prescribed by the Secretary.

"INCOME REQUIREMENTS

"SEC. 9. (a) No later than June 1 of each fiscal year, the Secretary shall issue revised income poverty guidelines use during the subsequent 12-month period from July through June. Such revisions shall be made by multiplying the income poverty guideline currently in effect by the change in the Consumer Price Index for the twelve-month period ending in April of such fiscal year. Children from families with an annual income of 25 per centum or less for use during the subsequent 12-month period from July above the applicable family size income levels prescribed by the Secretary shall be served a free meal. Children from families with annual income between 25 per centum and 95 per centum above the applicable family size income levels shall be served meals at a reduced price: *Provided*, That the cost of a reduced-price breakfast shall not exceed 10 cents and the cost of a reduced-price lunch shall not exceed 20 cents. Local school authorities shall announce publicly and in writing to each parent such income guidelines on or about the opening of each school term. In areas where there is a known population of non-English speaking families, these notices shall be bilingual. Local school authorities shall make determinations with respect to the annual incomes of any household solely on the basis of a statement executed in such form as the Secretary may prescribe by an adult member of such household. In situations of special hardship, such as major catastrophe or casualty loss, the school may, within its discretion, provide for participation of a child in the free or reduced-price meal program under this section. No physical segregation of, or other discrimination against, any child eligible for a free meal or a reduced-price meal shall be made by the school nor shall there be any overt identification of any child by special tokens or tickets, announced or published lists of names, work requirements, or any other means.

"(b) The State educational agency shall, in cooperation with local schools, publicize the availability of the school meals programs, including eligibility criteria for participation. To maximize the effort to expand the program to children and parents, such information shall be distributed to governmental offices, public and private health and medical organizations, and church, civic, and community groups. Such materials shall be bilingual in areas where substantial numbers of households speak a language other than English.

"(c) School meals programs under this Act shall be operated on a nonprofit basis. Each school shall, insofar as practicable, utilize in its meal program commodities designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or commodities donated by the Secretary. Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (42 Stat. 774), as amended, may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in the school meal program under this Act as well as to other schools carrying out nonprofit school meal programs and institutions authorized to receive such commodities. The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under such section 32, under section 416 of the Agricultural Act of 1949, as amended, and under section 709 of the Food and Agricultural Act of 1965, as amended, as will maximize the nutritional and financial contributions of such donated commodities in such schools and institutions. The requirement of this section relating to the service of meals without cost or at a reduced cost shall apply to the meal program of any school utilizing commodities donated under any of the provisions of law referred to in the preceding sentence.

"DISBURSEMENT TO SCHOOLS BY THE SECRETARY

"SEC. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to any of the nonprofit private schools in the State, or is not permitted by law to match Federal funds made available for use by such schools, the Secretary shall disburse the funds directly to such schools within the State for the same purpose and subject to the same conditions as are authorized or required with respect to the disbursements to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the States expended by such schools within the State participating in the school meal program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7.

"SPECIAL MILK

"SEC. 11. There is hereby authorized to be appropriated for the fiscal year ending September 30, 1979, and for each succeeding fiscal year, such sums as may be necessary to enable the Secretary, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. Any school or nonprofit child care institution shall receive the special milk program upon its request. Children who qualify for free lunches under guidelines set forth by the Secretary shall also be eligible for free milk, when milk is made available at times other than the period of meal service in outlets that operate a food service program under section 5 of this Act. For the fiscal year ending June 30, 1978, and for subsequent school years, the minimum rate of reimbursement for a half-pint of milk served in schools and other eligible institutions shall not be less than 6.25 cents per half-pint served to eligible children, and such minimum rate of reimbursement shall be adjusted on an annual basis each school year to reflect changes in the wholesale price index for milk of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent. Notwithstanding any other provision of this section, in no event shall the minimum rate of reimbursement exceed the cost to the school or institution of milk served to children.

"CHILD CARE FOOD PROGRAM

"SEC. 12. (a) There is hereby authorized to be appropriated such sums as are necessary for the fiscal year ending September 30, 1979, and for each succeeding fiscal year through the fiscal year ending September 30, 1983, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means to initiate, maintain and expand nonprofit food service programs for children in day care provided by any eligible sponsor that applies to initiate, maintain, or expand such a food service program.

"(b) (1) 'Sponsor' means any public or private nonprofit organization which is administratively responsible for the food service of children in care in one or more nonresidential sites.

"(2) 'Site' includes, but is not limited to, public or private nonprofit day care centers, settlement houses, recreation centers, family day care homes, Headstart centers and sites providing day care services for handicapped children: *Provided*, That family day care homes shall be deemed to meet the requirements of this subsection through compliance with subsection (c) (2).

"(3) 'Adjusted semiannually' means adjustments to payments for costs associated with meal service and commodities to the nearest one-fourth cent, effective every January 1 and July 1 of each fiscal year, to reflect cost changes in the series of food way from home of the Consumer Price Index for the most recent six-month period ending in November and May, respectively, of each fiscal year.

"(c) (1) No site shall be eligible to participate in this program unless: (a) it has local, State or Federal licensing or approval or is reasonably complying with appropriate renewal procedures; or (b) its sponsor accepts referrals for placement from State or local agencies or (c) its sponsor accepts Federal, State or local governmental funds for program activities, including but not limited to funds under title XX, Headstart, Child Abuse Acts, or the Juvenile Protection Act, or (d) where State or local licensing or approval is unavailable, its sponsor can satisfy the Secretary that it has approved sites in accordance with the standards of its State. Where State standards are not available, those requirements established by the Secretary shall be met.

"(2) Family and group day care homes, at their option, may be administered by a sponsor which may be approved for funding under this section only if, under conditions established by the Secretary, such sponsor is in, or is moving toward, compliance with the requirements for tax exempt status under the Internal Revenue Code of 1954, or is currently operating, or is part of, a federally funded program requiring nonprofit status. Any eligible sponsor shall receive the child care food program upon its request.

"(3) A sponsor shall be notified in writing of approval or disapproval within thirty days after the date its completed application is filed with the designated State agency. If a sponsor submits an incomplete application, the State agency shall provide technical assistance to the institution for the purpose of assisting the sponsor to complete its application. The State agency shall provide, in accordance with regulations issued by the Secretary, a standard form of agreement for use between each sponsor, and its sites, specifying the rights and responsibilities of each party, and including cause for termination of agreement.

"(4) The State agency shall provide, in accordance with regulations issued by the Secretary, for the granting of a fair hearing and a prompt determination to any sponsor or site aggrieved by the action by the State agency as it affects the participation of such sponsor or site in the program authorized by this section.

"(d) (1) For each fiscal year beginning with the fiscal year ending September 30, 1979, the Secretary shall make child care food payments no less frequently than on a monthly basis to each State agency in an amount no less than the sum of the products obtained by multiplying the number of breakfasts, lunches, suppers, and snacks served to children in care by the payment rates for each meal type established by this Act to which the site or sponsor is determined to be eligible, which rates shall be adjusted semiannually.

"(2) The Secretary shall make available to States administering the child ~~care~~ food program, for the purpose of conducting audits of participating child care institutions, an amount up to 2 per centum of the funds used by each under this title or predecessor program during the second fiscal year preceding the fiscal year for which the amount is to be paid.

"(3) The rate of reimbursement each sponsor or site shall be entitled to receive shall be determined by the number of its participating children from families whose incomes meet the eligibility requirements for free and reduced-price meals, pursuant to section 9 of this Act. Where two-thirds or more of the participating children of a sponsor are eligible for free or reduced-price meals, the sponsor shall be reimbursed for each meal type served at the national average payment rates established for free meals; where one-third or more of the participating children are eligible for free or reduced-price meals, the sponsor shall be reimbursed for each meal type served at the national average payment rates established for reduced-price meals; where less than one-third of the participating children are eligible for free or reduced-price meals, the sponsor shall be reimbursed for each meal type served at the basic national average payment rate, *Provided*, That such sponsor may elect to claim reimbursement in accordance with the eligibility for free and reduced-price meals of each participating child. Reimbursement for meals provided under this section shall not be dependent upon the collection of monies from participating children.

"(4) In lieu of maintaining records on the actual cost of the meal service, sponsors may elect, for all family and group day care homes under their jurisdiction, to utilize the flat cost of food service rates established by the Secretary, as adjusted semiannually, or the appropriate national average payment rate, whichever is the lesser.

"(5) Sponsors which administer family and group day care homes shall receive, in addition, an amount for the cost of administering the program which amount shall be determined by the Secretary, taking into account the number of sites.

"(e) Meals served by sponsors participating in the program under this section shall consist of a combination of foods and shall meet requirements prescribed by the Secretary in accordance with Section 15 of this Act. No sponsor shall be prohibited from serving a breakfast, lunch, dinner and/or snacks to each eligible child at appropriate times each day.

"(f) (1) Funds paid to any State under this section shall be disbursed by the State agency to sponsors approved for participation on a nondiscriminating basis to reimburse such institution for these costs in connection with food service operations, including labor and administrative claims.

"(2) Not later than the first day of each month the State agency shall forward advance program payments to each approved sponsor, who so requests, in the amount of 80 per centum of the amount established by the State to be needed by such institution for meals to be served that month. The State agency shall forward any remaining payment due within thirty days following receipt of a valid claim. If the State agency has reason to believe that the claim is invalid, it shall so notify the sponsor within 10 working days after receipt. If the State has reason to believe that a service institution will not be able to submit a valid claim for reimbursement covering the period for which an advance payment has been made, the subsequent month's advance project payment shall be withheld until such time as the State has received a valid claim. Program payments advanced to sponsors that are not subsequently deducted from a valid claim for reimbursement shall be repaid upon demand by the State.

"(3) To improve program planning and expand participation, the State agency shall make available funds to sponsors in an amount prescribed by the Secretary in consideration of the size and type of program. Such funds shall not exceed three months', not be less than one month's, anticipated administrative costs for the purpose of preimplementation administrative activities. To receive such funds a potential sponsor must submit a preliminary application whose approval establishes sponsor's nonprofit status, the anticipated number of children to be served, and the anticipated date of program implementation.

"(g) Irrespective of the amount of funds allocated under this section, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1493) or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1), shall be donated by the Secretary to sponsors participating in the child care food program in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs. The amount of such commodities (or, upon the application of a participating sponsor, cash in lieu of commodities, in such amounts as may be provided in appropriations Acts) donated to each State for each fiscal year shall be, at a minimum, the amount obtained by multiplying the number of lunches and suppers served by participating sponsors during the fiscal year by the rate for commodities and cash in lieu thereof established for that fiscal year in accordance with the provisions of section 17(e) of this Act: *Provided*, That where a sponsor receives a flat cost of food service rate, the provisions of this subsection shall apply.

"(h) If in a State the State agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any sponsor in the State, or does not operate the program in accordance with the requirements of this section, the Secretary shall disburse the funds so withheld directly to sponsors in the State for the same purpose and subject to the same conditions as are required of a State agency disbursing funds made available under this section.

"(i) (1) Of the sums allocated for any fiscal year pursuant to the authorization contained in this section, $6,000,000 shall be available to the Secretary for the purposes of providing, during each such fiscal year, nonfood assistance to enable sponsors to purchase or repair equipment, other than land and buildings, for the storage, preparation, transportation and serving of food to enable such sponsors to establish, maintain, and expand the child care food program.

The Secretary shall apportion among the States during each fiscal year the aforesaid sum of $6,000,000. *Provided*, That such an apportionment shall be made according to the relative population among the States of the number of children below age 6, from households under 195 per centum of the Secretary's poverty guidelines. The Secretary shall promulgate regulations authorizing the payment of monies pursuant to this subsection directly to the supplier in those instances where a sponsor has met all requirements for approval or licensing except for the food service equipment required by such licensing provision.

"(2) If any State cannot utilize all of the funds apportioned to it under the provisions of this section, the Secretary shall make further apportionments to the remaining States. Payments to any State of funds apportioned under the provisions of this subsection for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this section shall be borne by funds from sources within the State, except that such conditions shall not apply with respect to funds used under this section to assist sponsors determined by the State to be especially needy.

"(3) Each State agency shall establish eligibility criteria determining these sponsors which are especially needy for purposes of this section and shall make available those criteria to all sponsors within the State. Such eligibility criteria shall be submitted to the Secretary for approval and included in the State plan of child nutrition operation required by section 19 of this Act.

"(4) Within thirty days of notification by the Secretary to the State agency of the amount of funds available under this subsection, the State agency shall notify sponsors of the availability of such funds. The State agency shall act upon requests for funds under this subsection within thirty days of receipt of a completed request, and shall forward such funds within thirty days of approval.

"(j) State agencies participating in the program under this section shall provide sufficient training, technical assistance and monitoring to facilitate expansion and effective operation of programs under this section, and shall take affirmative action to expand the availability of benefits under this section. Such action, at a minimum, shall include notification to each nonparticipating licensed or approved sponsor annually within the State of the availability of the program, the requirements for participation and for receipt of food service equipment funds, and the procedures to be followed for application. The Secretary shall assist the States in the development of information and the provision of technical assistance necessary to fulfill the purposes of this section.

"(k) An amount equal to one-half of 1 per centum of program funds, in addition to program funds authorized under this section, shall be available to the Secretary for the purpose of conducting, on a trial basis in six States, pilot or experimental projects designed to: (1) identify the nature of licensing problems within States; (2) test alternative implementation mechanisms for licensure of eligible sponsors and sites; and (3) study the need for additional funds for State licensing purposes.

"(l) The value of assistance to children under this Act shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act.

"(m) The regulations issued by the Secretary to carry out this section shall be issued and become effective not later than ninety days after the date of enactment of this Act.

"SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS AND CHILDREN

"SEC. 13. (a) The Congress finds that substantial numbers of pregnant women, infants, and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition or health care, or both. It is, therefore, the purpose of the Special Supplemental Food Program for Women, Infants and Children (hereinafter called the "WIC Program"), by providing supplemental nutritious food at no cost and nutrition education through any eligible local agency that applies to offer food assistance consistent with the authorization levels of this section, to serve as an adjunct to good health care during such critical times of growth and development in order to prevent the occurrence of health problems.

"(b) As used in this section—

"(1) 'Pregnant and breastfeeding women' when used in connection with the term 'at nutritional risk' includes women who reside in families whose incomes are (A) at or below the income guidelines established by the Secretary for receipt of free meals pursuant to section 9 of this Act or (B) at or below the income guidelines established by the Secretary for receipt of reduced-price meals pursuant to section 9 of this Act and demonstrate one or more characteristics of potential nutritional deficiency, including but not limited to: known inadequate nutritional patterns, anemia, inadequate patterns of growth (underweight or stunting), obesity, or history of high-risk pregnancy as evidenced by abortion, premature birth, low birth weight, severe anemia, and teenage pregnancy. For purposes of this section, the term 'women' includes those women who are breastfeeding an infant from birth up to one year of age, and all women for a period of six months post partum.

"(2) 'Children' when used in connection with the term 'at nutritional risk' means children under five years of age who reside in families whose incomes are (A) at or below the income guidelines established by the Secretary for receipt of free meals pursuant to section 9 of this Act or (B) at or below the income guidelines established by the Secretary for receipt of reduced-price meals pursuant to section 9 of this Act and demonstrate one or more characteristics of potential nutritional deficiency, including but not limited to: a deficient pattern of growth as reflected by a low or high percentile of height and weight, nutritional anemia, inadequate diet, or those born to women at nutritional risk.

"(3) 'Supplemental foods' means those foods containing the nutrients identified as lacking in the diets of populations at nutritional risk. Such term may also include commercially formulated infant formula. The contents of the food package shall be made available by State and local agencies in accordance with standards developed by the Secretary, in such a manner as to provide flexibility, taking into account medical and nutritional objectives and cultural eating patterns.

"(4) 'Competent professional authority' includes physicians, nutritionists, registered nurses, dietitians, or State or local health officials, or persons designated by physicians or State or local health officials as being competent professionally to evaluate nutritional risk.

"(5) 'Operational costs' includes costs for necessary expansion activities, referral, operation, monitoring, outreach, general administration, clinic, nutrition education, and administration of the State agency office.

"(6) 'State agency' means the health department or comparable agency of each State, Indian tribe, band or group recognized by the Department of Interior, the Indian Health Service of the Department of Health, Education and Welfare, or an intertribal council or group which is an authorized representative of Indian tribes, bands or groups recognized by the Department of Interior.

"(7) 'Local agency' means a public health or welfare agency or a private, nonprofit health or welfare agency, which directly, or through an agency or a physician with which it has contracted provides health services to recipients, Indian tribe, band, or group recognized by the Department of Interior, the Indian Health Service of the Department of Health, Education and Welfare, or an intertribal council or group which is an authorized representative of Indian tribes, bands or groups recognized by the Department of Interior.

"(8) 'Migrant' means an individual whose principal employment is in agriculture on a seasonal basis, who has been so employed within the last twenty-four months, and who establishes for the purpose of such employment a temporary place of abode.

"(c) (1) The Secretary shall make cash grants to the State agency for the purpose of providing funds to local agencies serving local health or welfare needs to enable such agencies to carry out health and nutrition programs under which supplemental foods and nutrition education will be made available to pregnant and breastfeeding women and to children determined by competent professional authority to be at nutritional risk because of inadequate nutrition or inadequate income, in order to improve their health status. Any eligible local agency that applies to operate or expand a WIC program shall immediately be provided with the necessary funds to serve the eligible population. The requirements set forth herein shall not be construed to permit the Secretary to reduce ratably the amount of foods that an eligible local agency shall distribute under the program to participants, and such requirements shall be limited by the authorization levels set forth in this section. The Secretary shall take affirmative action to insure that programs begin in areas most in need of special supplemental food. The program authorized by this section shall be carried out supplementary to the food stamp and food distribution program and the existence of a commodity supplemental food program may not preclude the approval of an application from an eligible local agency nor the operation of a WIC program within the same geographic area as that of a commodity supplemental food program: *Provided,* That the Secretary shall issue such regulations as are necessary to prevent dual receipt of benefits under the WIC program and the commodity supplemental food program.

"(2) The Secretary shall use funds as may be necessary, from funds appropriated under subsection (c) (4) of this section, for the purpose of requiring all States to establish, maintain, operate and expand the WIC program to ensure continuous availability of program benefits to eligible migrants as they move from State to State. The Secretary shall issue regulations to effectuate the purpose of this subsection, and shall monitor States' compliance.

"(3) (A) The State agency, or the Secretary, shall, upon receipt of a completed application for participation, notify the applicant local agency in writing within thirty days of approval or disapproval. Within ten days after receipt of an incomplete application, the State agency shall notify the applicant for the purpose of completing the application process.

"(B) The State agency shall, in cooperation with local agencies participating in the WIC program, publicize the availability of the WIC program benefits, including eligibility criteria for participation, and locations of agencies providing such benefits. To maximize the effort to expand the program to persons at nutritional risk, such information shall be distributed to governmental offices, public and private health and medical organizations, and religious, civic and community groups.

"(4) In order to carry out the WIC program, there are hereby authorized to be appropriated $650,000,000 for the fiscal year ending September 30, 1979, $850,000,000 for the fiscal year ending September 30, 1980, and such sums as may be necessary for each succeeding year through the fiscal year ending September 30, 1982. *Provided*, That 20 per centum of the funds appropriated shall be made available for State and local agency operational costs.

"(d) (1) The Secretary shall provide each State agency with operational funds in accordance with standards developed by the Secretary for the efficient and effective implementation and operation of the WIC program. The funds allotted to the State agency shall take into account the Secretary's staffing patterns, the agency's staffing plan formula for the WIC program, current and potential program participation, need for program expansion, technical assistance, monitoring, and such other factors as the Secretary determines appropriate to further the goals of the WIC program.

"(2) If the Secretary finds that the State agency has failed without good cause to carry out the approved State agency plan required by subsection (d) (3) of this section the Secretary shall withhold from the State agency such funds authorized under this section as the Secretary determines to be appropriate.

"(3) From the sums appropriated for operational costs pursuant to (c) (4) any local agency participating in the WIC program shall receive operational funds in accordance with standards to be developed by the State agency in cooperation with the several local agencies and subject to the approval of the Secretary. The funds allocated to local agencies shall take into account staffing needs, size and density of of population, number of persons served, and such other factors as the State agency determines appropriate to further the goals of efficient and effective administration of the program. These standards shall be included in the State plan of operation required by subsection (e) (1).

"(4) The State agency shall forward in advance to local agencies those additional operational funds necessary to commence the program successfully during the three months following approval or until a program reaches its projected caseload level, whichever comes first. Such sums shall be subject to maximum amounts set by the Secretary.

"(e) (1) Each State agency, as a prerequisite to receipt of funds under this section, shall provide each year by not later than a date specified by the Secretary, among such other provisions as may be required by regulation: (A) the State agency's plans and timetable for informing low-income households and local agencies about the availability, eligibility requirements, and benefits of the WIC program, and the availability of technical assistance in developing and implementing the WIC program, using appropriate bilingual material in areas where substantial numbers of low-income households speak a language other than English, (B) a description of the State agency's actions to provide reasonable access to low-income persons for certification of eligibility and receipt of supplemental foods under the WIC program, in accordance with standards developed by the Secretary, (C) a description of how WIC program operational funds will be utilized, including, but not limited to, a description of the manner in which nutrition education services will be provided, the extent and manner in which technical assistance to local agencies will be offered, and the standards for the distribution of operational funds to local agencies, (D) for the granting of a fair hearing and a prompt determination, in accordance with regulations issued by the Secretary, to any applicant, participant, or local agency aggrieved by the action of a State or local agency under any provision of the plan of operation or administration of the WIC program as it affects participation, (E) for the submission of such reports and other information as from time to time may be required by the Secretary, (F) for indicators of expected performance in the administration of the program, including but not limited to: (i) an estimate of the number of persons within the State eligible to participate including members of special populations most in need of the program such as migrants, native Americans, or other special risk groups, and the specific methods to be used to provide program benefits to such special groups, (ii) the areas within the State that are unserved or partially served by the WIC program most in need of the supplemental food program, including a description of how the State agency will take all reasonable actions to implement within six months the program in the top third of the areas so designated. The State agency plan shall contain a copy of the procedure manual developed by each State agency for distribution to local agencies to assist in the development and operation of the WIC program.

"(2) Not less than one month prior to the submission of the State plan required by subsection (c) (1) the State agency shall conduct public hearings to enable the general public to participate in the development of the State plan.

"(3) By October 1 of each year, the Secretary shall prepare a plan describing the manner in which he will utilize funds under subsection (b) (2) of this section to provide continuous WIC program benefits to migrants, and shall make the plan available to the National Advisory Council on Maternal, Infant, and Fetal Nutrition.

"(f) (1) Persons eligible to participate shall be limited to those who meet the nutritional risk factors established by the Secretary and whose households have incomes at or below the Secretary's poverty guidelines for reduced-price meals as established pursuant to section 9(b) (1) of the National School Lunch Act: *Provided,* That persons who comply with the requirements for assessment of nutritional and health status according to standards established by the Secretary whose households have incomes to or below the Secretary's poverty guidelines for free meals as established pursuant to section 9 of this Act shall be eligible to participate on the basis of income.

"(2) Local agencies participating in the WIC program shall publicly announce income guidelines as frequently as possible, but no less than twice a year, and shall make determinations in accordance with procedures prescribed by the Secretary pursuant to section 9 of this Act.

"(3) Local agencies participating in the WIC program shall notify persons of their eligibility to receive benefits pursuant to this section within twenty days of a request to participate. *Provided,* That the Secretary shall establish by regulation shorter notification times for special risk groups.

"(g) State or local agencies or groups carrying out any programs under this section shall maintain adequate medical records on all participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section.

"(h) (1) There is hereby established a council to be known as the National Advisory Council on Maternal, Infant, and Fetal Nutrition (hereinafter in this section referred to as the 'Council') which shall be composed of twenty members appointed by the Secretary. One member shall be a State director of the WIC program, one member shall be a State fiscal director for a WIC program (or the equivalent thereof), one member shall be a State health officer (or the equivalent thereof), one member shall be a representative of a WIC program in a rural area, one member shall be a representative of an Indian WIC program, one member shall be a representative of a migrant WIC program, one member shall be a representative of a commodity supplemental food program, one member shall be a public health nutrition director, three members shall be parent recipients of a WIC program, one member shall be a pediatrician, one member shall be an obstetrician, one member shall be a person involved in the retail sales level of food in the WIC program, one member shall be a representative of an advocacy organization specially qualified because of their experience and knowledge of the WIC program, two members shall be officers or employees of the Department of Health, Education, and Welfare, specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to maternal, infant, and fetal nutrition, and two members shall be officers or employees of the Department of Agriculture, specially qualified because of their education, training, experience, and knowledge in matters relating to maternal, infant, and fetal nutrition.

"(2) The sixteen members of the Council appointed from outside the Department of Agriculture and the Department of Health, Education, and Welfare shall be appointed for terms of three years. A person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture and the Department of Health, Education, and Welfare shall serve at the pleasure of the Secretary.

"(3) The Secretary shall designate one of the members to serve as Chair and one to serve as Vice Chair of the Council.

"(4) The Council shall meet at the call of the Chair but shall meet at least once a year.

"(5) Eleven members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

"(6) It shall be the function of the Council to make a continuing study of the operation of the WIC program and any related Act under which diet supplementation is provided to women, infants, and children, with a view to determine how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

"(7) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

"(8) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council: *Provided,* That parent recipient members of the Council, in addition to reimbursement for necessary travel and subsistence, shall be compensated for other personal expenses related to participation on the Council, such as child care expenses and lost wages during scheduled Council meetings. Expenses of parent members of the Council shall be payable in advance of Council meetings.

"(i) The Secretary shall issue such regulations as are necessary to carry out this section in such a manner as will facilitate participation to the maximum extent possible. The regulations shall be issued and become effective not later than ninety days after enactment of this Act.

"SUMMER FOOD PROGRAM

"SEC. 14. Section 13 of the National School Lunch Act of 1946 shall be redesignated section 14 of the National Child Nutrition Act of 1978.

"NUTRITION REQUIREMENTS

"SEC. 15. (a) Meals served by the schools and sponsors participating in the child feeding programs shall consist of a variety of foods which when served together in the form of breakfast, lunch, dinner, and/or snacks meet the nutritional requirements of participants as prescribed by the Secretary on the basis of the most recent analysis of nutrition research. In developing these nutritional requirements the Secretary shall take into account research in the following areas: (1) the nutritional requirements of the participants; (2) the relationship of particular dietary patterns to health status; (3) the nutritional and health-related aspects of food preparation, processing, storage, and delivery methods; and (4) any other research which is related to the provision of a nutritional and healthful meal to participants. A one-ounce serving of meat or meat alternative shall be served to participants in the School Breakfast Program at least two times per week. These nutrition requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary need of individual students. The Secretary shall study on a regular basis the nutritional quality of meals eaten by the participants in the child feeding programs, and shall require that, whenever feasible, the nutritional requirements of the participants be provided as natural constituents of foods and in foods that do not contain additives.

"(b) The Secretary shall provide the kind and quality of commodities which enhance the nutritional quality of the meal pattern by increasing the variety of foods available, by acquiring foods which contribute to children's present and future health status based on the most recent analysis of nutrition research, and by facilitating their distribution, storage, and use. The Secretary shall compile, develop, and disseminate a variety of meal patterns which meet children's nutritional requirements, are practicable in schools and institutions, and increase the overall quality of the meals. Foods and meals served in the child feeding programs shall be considered as part of participants' nutrition education and therefore shall exemplify nutritional and healthful food habits.

"(c) The Secretary shall encourage the local school food authority and sponsors to (1) provide a selection of foods within each component of a meal so that choice by participants is possible; (2) serve food which takes into consideration the cultural and ethnic food habits of participants; and (3) undertake regular monitoring of the acceptability of foods served.

"(d) The Secretary shall develop methodologies whereby local school food authorities may monitor food waste or consistent rejection of menu items, investigate the causes, and remedy the problems. Any procedure designed to diminish waste of foods which are served by schools participating in the child feeding programs shall include local educational agency and student participation, and shall not endanger the nutritional integrity of the lunches served by such schools.

"(e) The Secretary shall prepare, review on a regular basis, and amend when necessary, a set of performance guidelines which outline the objectives of the child feeding programs and how these objectives can best be achieved by local school food authorities and participating institutions. These guidelines shall include, but are not limited to: (1) environment and atmosphere of the eating place, including ventilation, space per child, and lighting; (2) optimum time that should be allowed for eating meals; (3) appropriate scheduling of meals; (4) presence and role of adults in eating place; (5) criteria for foods which may be introduced into the child feeding programs; (6) variation of meal patterns; (7) the most desirable meal delivery, food preparation, and food processing methods; and (8) extent and kind of parent and student involvement upon which may be based self-evaluation by local school food authorities and participating institutions, and regular onsite reviews by State monitors.

"(f) The Secretary shall: (1) develop standards for the frequency of onsite reviews by State monitors, and shall encourage followup with appropriate technical assistance to local program staff, based on the results of onsite reviews; (2) periodically assess the training, technical assistance, and guidance materials needed by local food service personnel, giving special attention to the following areas: (A) food preparation for maximum palatability, attractiveness, and nutritional quality; (B) local self-evaluation of palatability, attractiveness, and overall student acceptability; and, (C) positive interaction and informal nutrition education experiences with children; (3) review the results of demonstration projects carried out under section 10 of Public Law 95-166 and shall disseminate recommendations for improved programs to all school food authorities based on the project results; (4) examine successful child feeding programs and disseminate recommendations for improved programs to all school food authorities based on the successful programs' characteristics and experiences; and (5) conduct pilot projects which experiment with various approaches to improving meal quality and participation in child feeding programs and disseminate recommendations for improved programs to all school food service authorities based on the results of these projects.

"DIRECT FEDERAL EXPENDITURES

"SEC. 16. (a) The funds provided by appropriation and transfer from other accounts for any fiscal year for carrying out the provisions of this Act, less (1) such funds as may be necessary to the Secretary for his administrative expense under this Act; (2) the amount apportioned by him for direct payments to States for programs under this Act; and (3) not to exceed one quarter of one per centum of the funds appropriated for the preceding year for carrying out the programs under this Act, which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through pilot projects, studies, and evaluations of the plans developed pursuant to sections 22 and 23 of this Act, shall be available to the Secretary during each year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service program under this Act in accordance with the needs as determined by the local school and service institution authorities. Any school participating in food service programs under this Act may refuse to accept delivery of not more than 20 per centum of the total value of agricultural commodities and other foods tendered to it in any school year; and if a school so refuses, that school may receive, in lieu of the refused commodities, other commodities to the extent that other commodities are available to the State during the year. The provisions of law contained in the proviso of the Act of June 28, 1937 (50 Stat. 323), facilitating operations with respect to the purchase and disposition of surplus agricultural commodities under section 32 of the Act approved August 24, 1935 (49 Stat. 774), as amended, shall, to the extent not inconsistent with the provisions of this Act, also be applicable to expenditures of funds by the Secretary under this Act. In making purchases of such agricultural commodities and other foods, the Secretary shall not issue specifications which restrict participation of local producers unless such specification will result in significant advantages to the food services programs authorized by this Act.

"(b) Not later than May 15 of each school year, the

Secretary shall make an estimate of the value of agricultural commodities and other foods that will be delivered during that school year to States for the school meal program. If such estimated value is less than the total level of assistance authorized under section 17 (c) of this Act the Secretary shall pay to each State educational agency, not later than June 15 of that school year, an amount of funds that is equal to the difference between the value of such deliveries as then programed for such State and the total level of assistance authorized under section 17 (c) of this Act. In any State in which the Secretary directly administers the school meal program in any of the schools of the State, the Secretary shall withhold from the funds to be paid to such State under the provisions of this Subsection an amount that bears the same ratio to the total of such payment as the number of meals served in schools in which the school meal program is directly administered by the Secretary during that school year bears to the total of such meals served under the school meal program in all the schools in such State in such school year. Each State educational agency, and the Secretary in the case of private schools in which the Secretary directly administers the school meal program, shall promptly and equitably disburse such funds to schools participating in the school meal program, and such disbursements shall be used by such schools to purchase United States agricultural commodities and other foods for their food service programs. Such foods shall be limited to the requirements for lunches and breakfasts for children as provided for in regulations issued by the Secretary.

"(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) to make any payments to States authorized under such subsection. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

"(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of section 7 of this Act.

"COMMODITY DISTRIBUTION PROGRAM

"SEC. 17. (a) Notwithstanding any other provision of law, the Secretary, during the period beginning July 1, 1979, and ending September 30, 1983, shall (1) use funds available to carry out the provisions of section 32 of the

Act of August 24, 1935 (7 U.S.C. 612c) which are not expended or needed to carry out such provisions, to purchase (without regard to the provisions of existing law governing the expenditure of public funds) agricultural commodities and their products of the types customarily purchased under such section, for donation to maintain the annually programed level of assistance for programs carried on under this Act, and title VII of the Older Americans Act of 1935; (2) if stocks of the Commodity Credit Corporation are not available, use the funds of such Corporation to purchase agricultural commodities and their products of the types customarily available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), for such donation; and (3) the Secretary shall, to the maximum extent practicable, purchase commodities from sources local to the State in which such commodities will be delivered, and shall give special emphasis to meat alternatives, cereal, shortening and oil products, and fresh fruits and vegetables.

"(b) The Secretary may use funds appropriated from the general fund of the Treasury to purchase agricultural commodities and their products of the types customarily purchased for donation under section 707(a) (4) of the Older Americans Act of 1965 (42 U.S.C. 3045f(a) (4)) or for cash payments in lieu of such donations under section 707(d) (1) of such Act (42 U.S.C. 3045f(d) (1)).

"(c) For the year ending June 30, 1978, the national average value of donated food, or cash payment in lieu thereof, shall not be less than 12.75 cents per lunch and 3 cents per breakfast, and that amount shall be adjusted on an annual basis each July 1 after the school year ending July 1, 1978, to reflect changes in the Consumer Price Index. Such adjustment shall be computed to the nearest ¼ cent. Notwithstanding any other provisions of this section, not less than 75 per centum of the assistance provided under this subsection shall be in the form of donated foods for the school meals program.

"(d) Notwithstanding any other provisions of law, where a State phased out its commodity distribution facilities prior to June 30, 1974, such State may, for purposes of the payments authorized by this Act, elect to receive cash payments in lieu of donated foods. Where such an election is made, the Secretary shall make cash payments to such State in an amount equivalent in value to the donated foods that the State would otherwise have received if it had retained its commodity distribution facilities. The amount of cash payments shall be governed by subsection (c) of this section.

"(e) When such payments are made, the State educational agency shall promptly and equitably disburse any cash it receives in lieu of commodities to eligible schools and institutions, and such disbursements shall be used by such schools and institutions to purchase United States agricultural commodities and other foods for their food service programs.

"(f) The Secretary shall establish procedures which will: (1) insure that the views of local school districts and private nonprofit schools and institutions, with respect to the type of commodity assistance needed for child nutrition programs are fully and accurately reflected in reports to the Secretary by the State with respect to State commodity preferences and that such veiws are considered by the Secretary in the purchase and distribution of commodities and by the States in the allocation of such commodities among schools and institutions within the States; (2) solicit the views of States with respect to the acceptability of commodities; (3) insure that the timing of commodity deliveries to States is consistent with State school year calendars and that such deliveries occur with sufficient advance notice; (4) provide for systematic review of the costs and benefit of providing commodities of the kind and quantity that are suitable to the needs of local school districts and private nonprofit schools and institutions; and (5) make available technical assistance on the use of commodities available under this Act.

Within eighteen months after the date of the enactment of Public Law 95–166, the Secretary shall report to Congress on the impact of procedures established under this subsection, including the nutritional, economic, and administrative benefits of such procedures. In purchasing commodities for programs carried out under this Act, the Secretary shall establish procedures to insure that contracts for the purchase of such commodities shall not be entered into unless the previous history and current patterns of the contracting party with respect to compliance with applicable meat inspection rules and with other appropriate standards relating to the wholesomeness of food for human consumption are taken into account.

"(g) Each State educational agency that receives food assistance payments under this section for any school year shall establish for such year an advisory council, which shall be composed of representatives of schools and institutions in the State that participate in the child nutrition programs. The Council shall advise such State agency with respect to the needs of such schools and institutions relating to the manner of selection and distribution of commodity assistance for such programs.

"STATE ADMINISTRATIVE EXPENSES

"SEC. 18. (a) The Secretary shall pay to each State for its administrative costs incurred pursuant to its administration of this Act an amount sufficient to reimburse the

State for the efficient and effective implementation and operation of each program authorized pursuant to this Act: *Provided*, That such amounts shall be not less than 1 per centum or more than 2 per centum of the funds used by each State: *Provided further*, That in no case shall payment to a State agency be less than $75,000. The amounts paid to each State shall be in accordance with a formula developed by the Secretary and the funds allotted to the appropriate State agency, taking into account the Secretary's staffing plan formula for each program, current and potential program participation, need for program expansion, technical assistance, monitoring, and such other factors as the Secretary determines appropriate to further the goals of this Act: *Provided*, That, where the Secretary is responsible for the operation of programs under this Act, the amount of administrative expenses which would be allocated to the State pursuant to this section shall be retained by the Secretary for the same purposes as the State agency.

"(b) The Secretary, in cooperation with the several States, shall develop State staffing standards for the administration by each State of the programs authorized by this Act that will insure sufficient staff for the planning and administration, including training, technical assistance, and effective outreach, of each program covered by State administrative expenses, and shall develop appropriate staffing standards for the Secretary's regional offices to insure sufficient staff for monitoring, training, and technical assistance.

"(c) Funds paid to a State under subsection (a) of this section may be used to pay salaries, including employee benefits and travel expenses, for administrative supervisory personnel; for support services; for office equipment; and for staff development. Upon demonstration by a State agency that the administrative funds allocated to a program pursuant to this section are not necessary to the effective administration and expansion of that program, the Secretary may provide for the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects to further the effectiveness of child feeding programs, and may provide for the transfer of funds to another child feeding program authorized by this Act on the basis of an approved State plan of operation for the use of the funds.

"(d) If any State agency agrees to assume responsibility for the administration of food service programs in nonprofit private schools or child care institutions that were previously administered by the Secretary, an appropriate adjustment shall be made in the administrative funds paid under this section to the State not later than the succeeding fiscal year: *Provided*, That such State shall receive startup funds in an amount to be determined by the Secretary to be necessary to enable the State to assume such responsibilities. Startup funds shall be in addition to the administrative funds authorized by this section.

"(e) Notwithstanding any other provisions of law, for each fiscal year, the Secretary shall establish a date by which each State shall submit to the Secretary a plan for the disbursement of funds provided under this section for each such year, and the Secretary shall reallocate any unused funds, as evidenced by such plans, to other States as the Secretary deems appropriate.

"(f) The State may use a portion of the funds available under this section to assist in the administration of the commodity distribution program.

"(g) Each State shall each year submit to the Secretary for approval by a date to be established by the Secretary an annual plan for the use of State administrative expense funds, including a staff formula for State personnel, system level supervisory and operating personnel, and school level personnel.

"(h) Payments of funds under this section shall be made only to States that agree to maintain a level of funding out of State revenues, for administrative costs in connection with programs under this Act not less than the amount expended or obligated in the preceding fiscal year.

"(i) If the Secretary finds that a State has failed without good cause to meet one or more of the Secretary's standards established pursuant to this section, the Secretary shall withhold from such State sufficient funds authorized under this section as is reasonably necessary to induce compliance with the Secretary's standards on the State's administrative plan.

"(j) There shall be appropriated such sums as may be necessary for the purposes of this section.

"STATE PLAN REQUIREMENTS

"SEC. 19. (a) Each year, by not later than a date specified by the Secretary, each State agency shall submit to the Secretary, for approval by him as a prerequisite to receipt of Federal funds or any commodities donated by the Secretary for use in programs under this Act, a State Plan of Child Nutrition Operations for the following school year, for programs authorized under this Act, except for programs under sections 12 and 13. The State plan shall provide, among such other provisions as may be required by regulation:

"(1) That the State agency shall (A) inform low-income households, and all nonparticipating schools and licensed approved child care institutions about the availability, eligibility requirements, and benefits of the programs under this Act, and the availability of technical assistance in developing and implementing the program, (B) use appropriate bilingual printed materials in the administration of the program in areas where substantial numbers of low-income households speak a language other than English;

"(2) That the State will comply with any standards prescribed pursuant to section 18 of this Act;

"(3) That the State, upon notification by the Secretary of that State's apportionment and reapportionment for school food equipment assistance under section 6, shall notify in writing all schools and licensed, approved child care institutions of the availability of these funds, and the criteria for receipt of funds, which notification shall set forth the State's criteria by which schools and sponsors may qualify as especially needy, thereby entitling them to receive funds without providing funds from their own resources;

"(4) That the State will provide appropriate technical assistance and training to schools and sponsors to enable them to participate as effectively as possible, including specifications of its plans, schedule, and personnel and material;

"(5) That the State, in cooperation with the Secretary, will develop an effective procedure to monitor compliance by schools and sponsors with the nutritional requirements for meals under this Act;

"(6) For the granting of a fair hearing and a prompt determination thereafter in accordance with regulations issued by the Secretary to any participant aggrieved by the action of the State agency under any provision of its plan of operation and administration of the program as it affects such entity's participation in the programs under this Act;

"(7) For the submission of such report and other information as from time to time may be required by the Secretary;

"(8) For a plan of statewide targeted outreach to low-income areas, including but not limited to: (A) a listing of the schools eligible for funds under title I of the Elementary and Secondary Education Act with an indication as to whether such schools offer breakfast and/or lunch services; (B) a listing of the schools wherein 25 per centum or more of the children qualify for free or reduced-price lunches with an indication as to whether such schools offer breakfast and/or lunch meal services; (C) a listing of the schools targeted for implementation of breakfast and/or lunch meal services during the following school year with a timetable for such implementation, such listing to reflect maximum practicable efforts to reach needy children in impoverished communities; (D) a listing of the number of schools and the number of those schools that provide breakfast and/or lunch meal services; (E) a listing of the number of schools that implemented school breakfast and/or lunch services under the prior year's plan together with the names of the targeted schools that did not implement meal services and a brief narrative of the reasons therefor; (F) a narrative concerning the schedule of direct outreach, technical assistance, and informational work that will be undertaken by State personnel among school and school food authority officials responsible for the schools listed in clause (c) of this paragraph; (G) the definitions of 'especially needy' for higher reimbursement rates and for equipment assistance payments for schools and sponsors participating in the child care food program; (H) the number of schools and sponsors using self-preparation of meals, including central kitchens, and the number using vended meals; (I) a listing of (i) the number of licensed, approved, or registered day care centers, group homes or family day care homes within the State and the number of those receiving benefits under this section, or (if the State has no licensing or approval standards for day care centers or group and family day care homes), (ii) the number of such centers or homes meeting the Federal Interagency Day Care Requirements and the number of those receiving benefits under this section; (J) the number of day care centers or homes within the State receiving funds under title XX of the Social Security Act and the number of those receiving benefits under this section; (K) a narrative concerning the schedule of direct outreach, technical assistance and informational work that will be undertaken by State personnel to aid family and group day care homes to obtain sponsors and a narrative concerning the schedule of direct outreach, technical assistance and informational work that will be undertaken by State personnel to encourage day care centers and sponsors to obtain assistance pursuant to this section. Such direct outreach, technical assistance and informational work to be undertaken so that, to the maximum extent practicable, the child care food program reaches needy children in impoverished communities. The State agency shall certify that the names and addresses of day care centers, family day care homes, and sponsors are available for review in the office of the State agency; (L) the State's methodology for determining the amount of program payments due to schools and sponsors for disbursing such payments.

"(9) That the State agency will prepare and disseminate a procedures manual to assist schools and sponsors in the implementation and operation of child feeding programs.

"(10) That wherever feasible, not less than one month prior to the submission of the State plan required by this section the State agency shall conduct public hearings to enable the general public to participate in the development of the State plan. The State agency shall establish and implement procedures which ensure that local schools, sponsors, and concerned individuals are informed of the State plan requirements under this section, and are given the opportunity to comment on the State's preparation of its annual plan.

"(b) If the Secretary determines that there is a substantial failure without good cause by a State agency to comply with an approved State Plan of Child Nutrition Operations as required by this section of State Plans of Operations required pursuant to sections 12 and 13, the Secretary shall immediately inform such State agency of such failure. Until such failure is corrected, the Secretary shall not approve such State's Plan of Child Nutrition Operations, or State Plans of Operations pursuant to sections 12 and 13, for the year subsequent to the year in which the failure occurred.

"MAINTENANCE OF EFFORT

"SEC. 20. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act to an amount less than the total amount spent for such program in each State for the preceding fiscal year. Such funds shall be used to further improve the quality of meals provided through this Act, to improve food service facilities, or for any other purpose in furtherance of the purposes of this Act. Each State agency shall include in its State Plan of Child Nutrition Operations, such information as may be required by the Secretary to establish compliance with this section.

"NATIONAL ADVISORY COUNCIL ON CHILD NUTRITION

"SEC. 21. Section 15 of the National School Lunch Act of 1946 shall be redesignated section 21 of the National Child Nutrition Act of 1978, and the references in subsection (c) to the National School Lunch Act and Child Nutrition Act of 1966 shall be deleted.

"PILOT PROJECT

"SEC. 22. Section 20 of the National School Lunch Act of 1946 shall be redesignated section 22 of the National Child Nutrition Act of 1978.

"NUTRITION EDUCATION AND TRAINING

"SEC. 23. Section 19 of the Child Nutrition Act of 1966 shall be redesignated section 23 of the National Child Nutrition Act of 1978.

"CASH GRANTS FOR NUTRITION EDUCATION

"SEC. 24. (a) The Secretary is hereby authorized and directed to make cash grants to State educational agencies, institutions of higher education, and nonprofit organizations and agencies for the purpose of conducting experimental or demonstration projects to teach schoolchildren the nutritional value of foods and the relationship of nutrition to human health.

"(b) In order to carry out the program, provided for in subsection (a) of this section, there is hereby authorized to be appropriated not to exceed $1,000,000 annually. The Secretary shall withhold not less than 1 per centum of any funds appropriated under this section and shall expend these funds to carry out research and development projects relevant to the purpose of this section, particularly to develop materials and techniques for the innovative presentation of nutritional information.

"REGULATIONS

"SEC. 25. The Secretary shall issue such regulations consistent with this Act as he deems necessary or appropriate for effective and efficient administration so as to facilitate to the maximum extent possible implementation of programs authorized by this Act, and shall promulgate all such regulations in accordance with the procedures set forth in section 553 of title 5 of the United States Code. Such regulations shall not prohibit the sale of competitive foods approved by the Secretary in food service facilities or areas during the time of service of food under this Act if the proceeds from the sales of such foods will inure to the benefit of the schools or of organizations of students approved by the schools.

"REMEDIES

"SEC. 26. (a) If the Secretary determines that in the administration of the child nutrition programs authorized under this Act there is a failure by a State or local agency to comply with any of the provisions of this Act or the regulations issued pursuant to this Act, the Secretary shall immediately inform such agency of such failure and shall allow the agency a specified period of time for the correction of such failure. If the agency does not correct such failure within that specified period, the Secretary shall withhold from the violating agency sufficient funds, from the funds authorized by the pertinent statutory authorization section, that is reasonably necessary to induce compliance with provisions of this Act or the regulations pursuant to this Act: *Provided*, That the funds withheld by the Secretary shall be placed in an escrow account and, if compliance is achieved, the funds may be returned to the offending agency.

"(b) If the Secretary determines that, despite the remedy applied in subsection (a) of this section, that there is a continuing failure by any agency to comply with any of the provisions of this Act or the regulations issued pursuant to this Act, the Secretary may refer the matter to the Attorney General with a request that injunctive relief be sought to require compliance forthwith by the agency and, upon suit by the Attorney General, or joinder in a suit brought by private parties, in an appropriate district court of the United States having jurisdiction of the geographic area in which the agency is located and showing that noncompliance has occurred, appropriate injunctive relief shall issue.

"(c) If any State or local agency or eligible child is aggrieved by the Secretary's actions pursuant to sections 15(i), 16(c), or 20(a), such agency or eligible child may seek review of the Secretary's determinations and actions in an appropriate district court of the United States having jurisdiction of the geographic area in which the agency is located. If no review is sought by the agency within sixty days, the action of the Secretary shall be final. The suit in the United States district court shall be a trial de novo in which the court shall determine the validity of the questioned administrative action in issue. If the court determines that such administrative action is invalid, it shall enter such judgment or order as it determines is in accordance with the law and the evidence. During the pendency of such judicial review, or any appeal therefrom, the administrative action under review shall be and remain in full force and effect, unless an application to the court, and after a hearing thereon and a showing of irreparable injury to children eligible under the program or programs, the court temporarily stays such administrative action pending disposition of such trial or appeal.

"PAYMENTS TO STATES

"SEC. 27. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

"REDUCTION OF PAPERWORK

"SEC. 28. Section 21 of the National School Lunch Act of 1946 shall be redesignated section 28 of the National Child Nutrition Act of 1978, and all references to the Child Nutrition Act of 1966 and the National School Lunch Act of 1946 shall be deleted.

"PROHIBITIONS

"SEC. 29. Section 11 of the Child Nutrition Act of 1966 shall be redesignated section 29 of the National Child Nutrition Act of 1978, and the words 'of sections 3 through 5' shall be deleted.

"CENTRALIZATION OF ADMINISTRATION

"SEC. 30. Section 13 of the Child Nutrition Act of 1966 shall be redesignated section 30 of the National Child Nutrition Act of 1978, and references to the National School Lunch Act of 1946 shall be deleted.

“FEDERAL COST

“SEC. 31. Section 14 of the Child Nutrition Act of 1966 shall be redesignated section 31 of the National Child Nutrition Act of 1978.

“REPEAL

“SEC. 32. This Act repeals the National School Lunch Act and the Child Nutrition Act of 1966.

“EFFECTIVE DATE

“SEC. 33. This Act shall become effective on October 1, 1978, and the Secretary shall promulgate regulations implementing the provisions of this Act to become effective not later than ninety days after enactment hereof.”.

STATEMENT OF HON. BOB BERGLAND, SECRETARY, DEPARTMENT OF AGRICULTURE, ACCOMPANIED BY: MS. CAROL TUCKER FOREMAN, ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES; BOB GREENSTEIN, SPECIAL ASSISTANT TO THE SECRETARY; GENE P. DICKEY, ACTING DEPUTY FOR SPECIAL NUTRITION PROGRAMS, AND LEWIS STRAUS, ADMINISTRATOR, FOOD AND NUTRITION SERVICE

STATEMENT OF SECRETARY BOB BERGLAND

Secretary BERGLAND. Thank you very much, Mr. Chairman.

Mr. Chairman and members of this committee, my principal purpose in being here this morning is to convey to you, Mr. Chairman and members of this committee, the importance we attach to these amendments and to this program in the policymaking of the Department of Agriculture.

Carol Foreman will be presenting the testimony in detail and she and her colleagues will be able to answer questions. I have to leave about 10 o'clock or so. During the period between now and the time I must leave, I will be available to answer questions if you have any.

I would like to say that we in the Administration have very carefully expanded and broadened the base of the Department of Agriculture to include not just programs which deal with problems associated with commercial agriculture, but to expand programs that are intended to provide some measure of support and assistance to persons who are not necessarily described as commercial farmers. That includes small farms, that includes persons who are served by various food programs.

We are expanding our research into human nutrition, to find out the linkage between diet and behavior, diet and health, so we can build a wise food policy around those things which we learn and build a farm program to complement all of this, rather than having policies based on circumstances that develop from time to time that I have characterized as being reactionary. We have invented food programs over the years to get rid of surpluses. We think it should be changed, that food programs should be designed to meet the needs of hungry people and persons who are not necessarily poor but malnourished, and that farm programs be developed to meet those needs.

We think such a rationale makes a great deal more sense. So, Mr. Chairman, we deliberately expanded the interest of the Department of Agriculture into food programs. I personally have a keen interest in it, the President knows exactly what we are doing, he has endorsed this move. So we are here today, Mr. Chairman, to present what appears to be a very long, complicated, lengthy set of amendments, when indeed most of the language contained therein is designed to reduce complexity, to eliminate obsolete amendments which have accumulated over the years, to make the program more easily understood, and to reduce the burdens that current law requires or imposes on school food service administrators and units.

So, Mr. Chairman, Carol Foreman will present the Administration proposals in detail and I will be available to answer questions to you, sir, now or later.

Chairman PERKINS. All right. I think we will hear Ms. Foreman. There is a question in my mind. Do we have ample time to do the job we should do in order to meet the budget requirements, and, if we think we have the time, how far do we want to go on expanding the programs. For that reason I will withhold any questions until we hear the views of the Administration in more detail.

Is that the opinion of you gentlemen?

Mr. BLOUIN. Yes.

Mr. WEISS. Yes.

Chairman PERKINS. Mr. Goodling?

Mr. GOODLING. Yes.

Chairman PERKINS. All right, go ahead.

Without objection, all of your prepared statements will be inserted in the record.

[The statement of Carol Foreman follows:]

STATEMENT OF
CAROL TUCKER FOREMAN
ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES
U.S. DEPARTMENT OF AGRICULTURE
BEFORE THE
SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION
COMMITTEE ON EDUCATION AND LABOR
U.S. HOUSE OF REPRESENTATIVES

April 27, 1978

Mr. Chairman and Members of the Subcommittee:

I am pleased to be here this morning to present the Administration's child nutrition legislation. I know how deeply you and other members of the Subcommittee have been involved over the years in fashioning our child nutrition programs, and I look forward to working with you on this year's important child nutrition proposals.

Mr. Chairman, the legislative proposal I am presenting to you today is a comprehensive piece of legislation that rewrites the National School Lunch Act and the Child Nutrition Act. The two existing acts are now quite complex and confusing. They contain obsolete and occasionally contradictory provisions. We have rewritten these two Acts into one far simpler piece of legislation. While our legislation may look lengthy, much of it does not represent a substantive change from current law. In significant part, our new proposal organizes the old provisions in a far more orderly and comprehensible fashion. Our new proposal also does make a number of important changes, and it is these changes that I would like to discuss with you this morning.

1. Special Supplemental Food Program for Women, Infants, and Children (WIC)

The Administration's fiscal year 1979 budget proposed an expansion of the WIC program. Evidence continues to mount that the WIC program is one of the most effective and successful health and nutrition programs operated by the Federal Government.

Data collected independently by State WIC programs in such States as Arizona, Oregon, and Louisiana during the years 1974 to 1977 show that WIC participants demonstrated a substantial reduction in anemia, a reduced incidence of low birthweight infants, and improvement in achieving proper weight in participants who were underweight or overweight when entering the program.

In Arizona, anemia was reduced 81 percent in children. Sixty-four percent of the children improved in height, 82 percent improved in underweight, and a 62 percent improved from overweight. Most important, Arizona found a dramatic reduction in the incidence of low birth weight infants among pregnant women who received WIC services. Low birth weight infants are more likely to die before they are 1 year old or to fail to grow to full potential during childhood.

Oregon found that 94 percent of the children initially at high risk due to anemia were no longer at high risk after 1 year on the WIC program. Fifty-six percent of the children who had been obese no longer suffered from this condition and 49 percent of the children who previously were at high risk to be stunted had been raised to normal heights after a year.

Louisiana also found significant reductions in anemia due to participation in the WIC program.

A major new study by HEW's Center for Disease Control (CDC) has recently been received at the Department. CDC has established a WIC nturition surveillance system that now covers the WIC program in 13 states, and that includes a data bank with records from nearly 700,000 health tests and information on about 230,000 WIC infants and children.

The CDC study documents that the children entering the WIC program have a high prevalence of anemia, but that after 1 year on the program the children experience dramatic improvement in their hemoglobin and hematocrit counts. Of those children with low hemoglobin or hematocrit values, 94 percent have been raised to satisfactory levels by the second WIC follow-up visit. The improvements were most dramatic for those children who had the lowest values prior to entering the WIC program. The CDC study indicates that the WIC program also results in a considerable reduction in the number of low birth weight infants.

Finally, a study done by the Urban Institute published in September 1976, determined that the WIC program led to an increase of 77 percent in visits to health clinics by children in the target areas studied, and also resulted in increased prenatal visits and increased immunizations as a result of WIC.

Our proposed legislation would extend the WIC program for 4 years, and the increased funding we have requested would enable us to reach more of those in need of the program.

The legislation would also strengthen the nutrition education component of the WIC program. The Secretary would establish standards to assure that adequate nutrition education services are provided. Training programs would be required for all persons providing nutrition education. WIC clinics would be authorized to provide WIC nutrition education services to pregnant, breastfeeding, and postpartum women and to parents of infants and children who are enrolled at the clinic but do not participate in the WIC program. States would be required to evaluate WIC nutrition education annually, and to include WIC participants in this evaluation. Nutrition education materials and sessions would be provided in languages other than English in areas where substantial numbers of low income households speak a language other than English.

Our proposal would also change the WIC administrative cost formula and thereby provide increased support for nutrition education and for start-up costs. At present, states are permitted to utilize 20% of their total WIC grant for State and local administrative costs. However, since states do not know in advance what the size of their WIC program will be, it is difficult for them to budget properly. As a result, the current amount of WIC costs spent for administration is not 20%--but rather is 17%.

Our proposal would provide that 20% of the funds provided for each fiscal year be set aside for administrative costs, and that each State be given a grant for administration at the start of the fiscal year. In addition, we propose that administrative grants to State and local agencies no longer be strictly tied to the amount of food benefits provided, but rather take into account the varying administrative needs of different types of States and localities. Finally, we would permit the Secretary, when reallocating funds, to exceed the 20% limitation if this proves essential to the effective administration of the program.

We also are proposing two critical changes in WIC eligibility--the establishment of national income standards and a reduction in the age until which children may remain in the WIC program.

We are proposing that to be eligible for WIC, pregnant, breastfeeding, and postpartum women, infants, and children be members of families whose income meets the standards for free or reduced price school meals. Currently, income limits for the WIC program vary from state to state and locality to locality. In some areas, there are no upper income limits and persons may enter the WIC program without regard to their level of income.

In addition, our bill would allow children to participate in the WIC program until their third birthday, rather than until their fifth birthday as current law provides. There is a substantial body of research indicating that the first few years of life are far more critical in terms of the role of nutrition in growth and development. Yet, today, pregnant women, infants, and young children in one area who badly need WIC services are kept out of the program because WIC slots are being filled by older children in another area whose need for the program is much less. To assure that WIC funds go where the need is greatest, we believe the age limit for WIC should be lowered from the 5th to the 3rd birthday. To ease such a transition, we propose that children between their 3rd and 5th birthdays who are on the program at the time of enactment be allowed to remain in the program until their 5th birthday.

School Breakfast Program

The administration proposal also contains a series of provisions aimed at expanding the school breakfast program. Today, while over 90,000 schools participate in the National School Lunch Program, only 20,000 offer school breakfasts. Twenty-seven million children eat school lunches regularly, but less than 3 million receive school breakfasts.

The expansion of the school breakfast program is a priority with this Administration. A number of studies have demonstrated the contribution that school breakfasts can make.

The Iowa Breakfast studies (conducted in the early 1960's) examined the effect of introducing the service of breakfast at school on a group of young boys. The studies found that maximum work rate and maximum work output were significantly better when breakfasts were served, and that the boys showed recognizable scholastic improvement.

A subsequent study in the Anchorage public schools compared students eating breakfast and lunch at schools to students eating only lunch at school. The study found significant differences between the two groups in classroom responsiveness, classroom participation and general disposition. The study concluded that there would be fewer problem students if breakfast were made available.

There are many other less scientific reports on improved classroom performance following the service of breakfasts at schools. Most of them are unscientific comments from teachers or parents, or narrative reports of unpublished data or observations made during the introduction of breakfast program. Nevertheless, these studies indicate that the program decreases sleepiness and apathy and results in improved attitudes, attentiveness, and performance.

The Administration proposal contains several provisions to expand the breakfast program. The centerpiece of these provisions is the proposal to require the service of breakfasts in schools where over half of the students enrolled have been determined eligible for free or reduced price school meals.

This is a very modest proposal. Since many students eligible for reduced price meals do not apply for these meals, it would generally require about two-thirds of a student body to be needy for this requirement to take effect. In addition, because we are aware that very small, rural schools may have some difficulty in complying with this requirement, we have exempted all schools with an enrollment of less than 100 students. Finally, we have afforded local school districts flexibility, because our proposal would allow them to bring an alternative school or schools into the breakfast program, in lieu of a school otherwise covered by the requirement, so long as the alternative school or schools enroll as many needy children. Thus, school districts would have some freedom to decide which individual schools to bring into the program.

This requirement would not take effect until the 1979-1980 school year. At that time, it would bring about 9,000 schools and about 1 million children into the school breakfast program. This would represent only about one-eighth of the schools now serving school lunches but not breakfasts. A number of states have in recent years passed state legislation requiring expansion of the school breakfast program. Virtually all such pieces of state legislation cover a considerably larger proportion of schools than does our proposal.

I should note that in states that have passed such legislation, important expansion of the breakfast program has generally occurred. In many other areas, the scope of the breakfast program remains quite limited. To help secure effective implementation of our proposal, our legislation also provides that all schools required to offer breakfasts would be classified as "especially needy" and be eligible for federal reimbursement that is significantly higher than the normal reimbursement rates. These schools should be able to cover any cost problems they might otherwise have within these especially needy rates.

We are proposing other changes to help schools that would be required to serve breakfasts and to encourage other schools to offer breakfasts. We propose that the "reserved category" of equipment assistance funds be available to help schools purchase equipment needed to offer breakfasts. We have also changed the allocation formula for distributing these reserved funds, so that states (such as many of the Southern states) that have received little or no reserved equipment funds for years will be able to start receiving such funds to use for expanding the service of breakfasts.

Finally, we are proposing a change that has long been sought by many school food service people because it will simplify administration and reduce paperwork. We are proposing to provide joint funding to schools providing both lunches and breakfasts, so that schools will not have to go through the considerable record-keeping of allocating joint costs to each of the two separate programs. This should be of considerable help to local school food operators.

Presently, States and local schools have to account separately for the lunch and breakfast programs. A school which participates in both programs must not only keep records on the breakfasts and lunches served and the costs of those meals, but must also have an accounting system which will allocate food, labor, and other costs between the two programs. The necessity to have such an allocation system is a significant and unnecessary burden on the local school. The concept of a single authorization for the lunch and breakfast programs will eliminate the need for this burdensome allocation system and reduce recordkeeping and paperwork, thereby eliminating one current disincentive for schools to participate in both the lunch and the breakfast programs.

Other Major Provisions

In addition to changes to expand the WIC and school breakfast programs, the Administration is proposing some significant structural revisions in other child nutrition programs. These changes are designed to target resources more effectively so that the WIC and school breakfast expansion can occur, and to make other needed changes in the programs.

The Wholesale Price Index

At present, both cash and commodity reimbursement rates in the child nutrition programs are adjusted annually to reflect changes in the "food away from home" series of the Consumer Price Index. This series basically covers restaurant food prices, and reflects changes in labor and other items as well as changes in food.

We agree that the food away from home index is the proper index to use for adjusting cash reimbursements. But it is not the best index to use in adjusting the level of commodities to be purchased and distributed by USDA each year. Our costs in buying commodities reflect wholesale food costs for these commodities, and not restaurant food prices. Our Economics, Statistics, and Cooperatives Service (ESCS), after analyzing this issue, concluded that:

> "There is a strong economic rationale for basing changes in the school lunch reimbursement rate for donated foods on an index which as nearly as possible reflects actual changes in the cost of the items being donated (or purchased with cash payments in lieu of commodities). Use of the Consumer Price Index for food away from home cannot pass such a test since its level is markedly influenced by changes in labor and service costs associated with preparing and serving meals eaten away from home. Such costs have little relationship to the actual costs of purchasing products, at wholesale, for distribution to schools."

ESCS has designed an alternative index which would perform the intended function far better. The new index is based on the Wholesale Price Index for food. The Wholesale Price Index for food does, however, include such items as coffee and animal feeds that are not relevant. So, ESCS took the five major groups from the WPI for food that are relevant: cereal and bakery products; meats, poultry and fish; dairy products; processed fruits and vegetables; and fats and oils. The new index we propose is simply based on changes in the wholesale prices of these five food groups. The five groups make up the overwhelming bulk of all USDA commodity purchases.

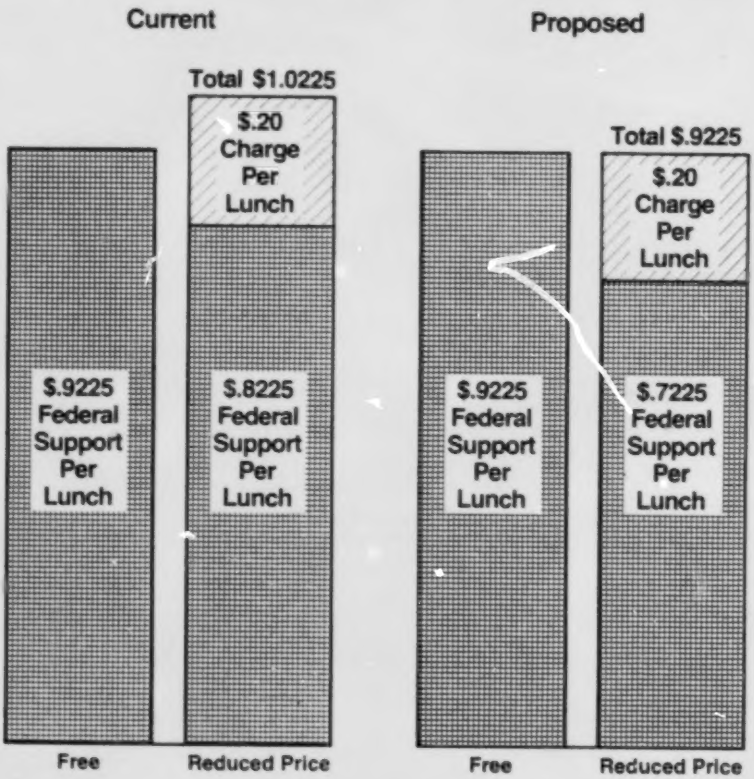
Reduced Price Reimbursements

We are also proposing that reimbursements for reduced-price lunches be set 20 cents lower than the reimbursements for free lunches. Prior to 1975, schools were allowed but not required to offer reduced-price lunches. Schools were allowed to charge 20 cents for these meals. However, schools received only 10 cents less in reimbursement than they got for free lunches. This meant that a school charging 20 cents for reduced-price lunches (as most did) could get 10 cents more in revenue from a reduced-price lunch than a free lunch. The provision of this "extra dime", as it was customarily called, was designed as an incentive to spur schools to offer reduced-price meals.

P.L. 94-105 altered this situation by making the service of reduced-price meals mandatory. However, the "extra dime" provision was not discussed at that time and remained part of the statute.

Now that all schools are offering reduced-price meals, the Administration believes that the "extra dime" provision should be dropped. We believe

Resources Available for Free and Reduced Price Lunches



that revenues from reduced-price lunches should equal, not exceed, those from free lunches.

Reimbursements for Paying Students

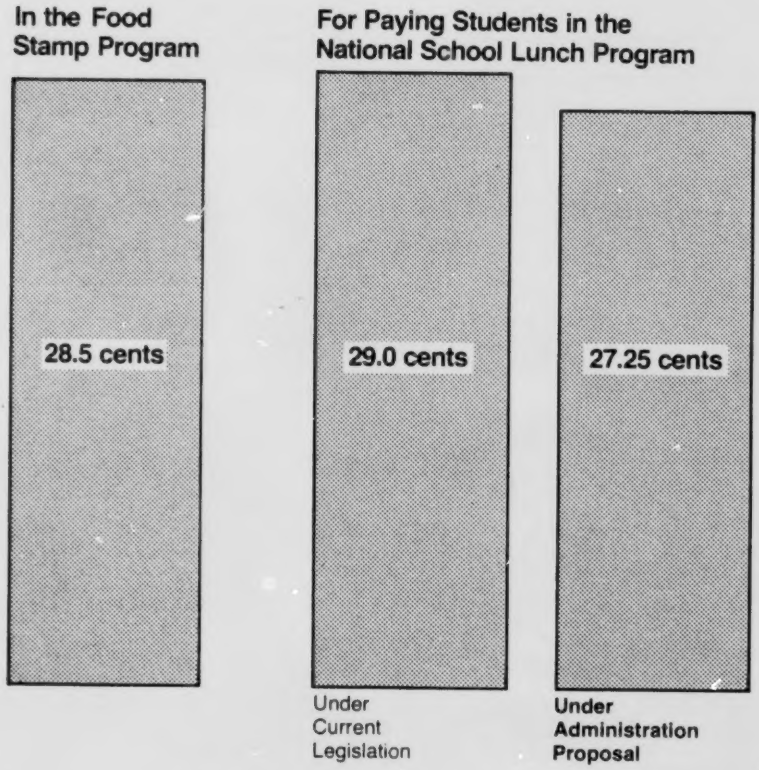
Free and reduced price lunches are now provided to children from families with incomes up to 195% of the poverty line. Children above that are referred to as "paying students".

Federal cash and commodity support for paying students is now 27.25 cents per school lunch. The Administration is proposing to maintain, not to reduce, this support level. But we do have concerns about the rate at which this support level has risen over the past decade, and are proposing some modification in the inflation index for this support in future years. Let me explain.

In the early 1970's, cash support for paid lunches increased at a far faster pace than reimbursements for free or reduced-price lunches. Since May 1971 (the base month for determining reimbursements for the 1971-1972 school year), the CPI for food away from home has risen 63.9% and total cash assistance for free lunches has risen 72.8%. During the same period cash assistance paid lunches has risen 141.7%.

A similar story is true for the breakfast program. While the CPI has risen 57.5% and total cash assistance for free breakfasts has risen 61%, cash assistance for paid breakfasts has risen 130%.

Average Federal Assistance Per Meal —FY 1979



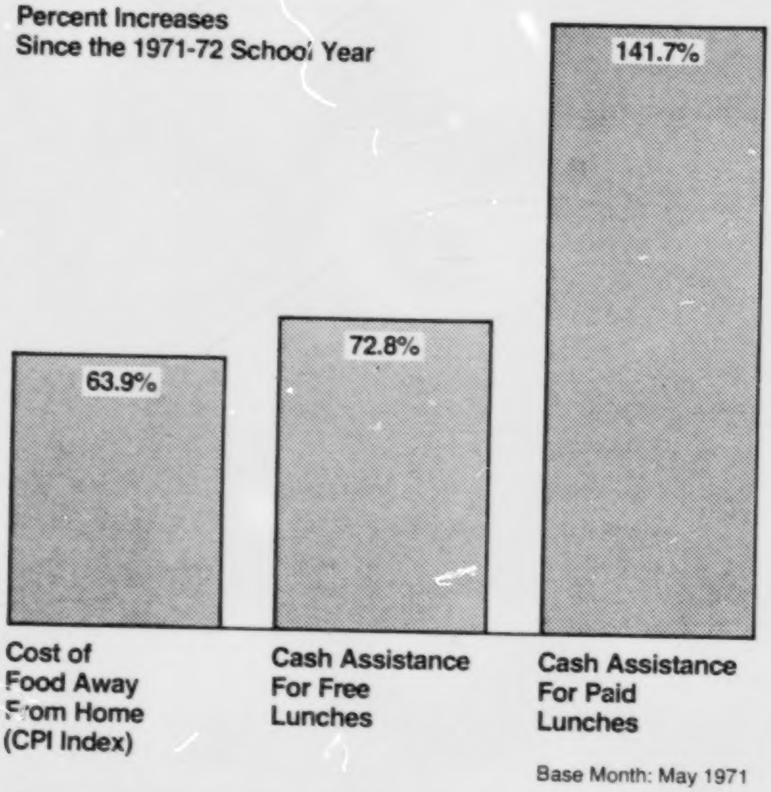
One further item is of interest here--and that is a comparison of federal support for paying lunches served to students from middle income families, and federal support through the food stamp program for poor families. At present, the average food stamp family has $3,600 a year gross income. We project that such a family will receive average food stamp benefits of 28.5 cents per person per meal in fiscal 1979.

By contrast, under current legislation, federal support for lunches served to children from families over twice the poverty line will average 29 cents a lunch in fiscal 1979. We will be paying more per meal to support a lunch served to a middle income student in a suburban school than we are providing per meal to an elderly family in a low income area.

Because we feel these resources can be better targeted, we are proposing that the federal support for paid school meals be held constant until its rate of growth since the 1972-1973 school year is comparable to, rather than in excess of, the increase in food prices since that time. This would mean that the support rates would remain at 27.25 cents per lunch, rather than being increased to 29 cents per lunch, in fiscal 1979.

We should observe that we will be offering schools additional commodities from our CCC stocks--over and above their commodity entitlement levels--and that we expect to distribute an additional $25-$100 million in commodities to schools next year. These additional commodities will offset some of the effect on schools of holding reimbursement levels constant for paying students.

Food Costs and Federal Cash Assistance for School Lunches



Child Care Food Program

The Child Care Food Program expires on September 30. This program has demonstrated its usefulness over the years, and we are proposing that it now be made permanent.

We are also proposing some revisions in the program. The current CCFP legislation is simply too complicated for many child care providers. A major source of complexity is the provision of three different levels of reimbursement rates for three different categories of children (free, reduced-price, and paid).

We are proposing that the full free meal reimbursement be provided for all children from families below 195% of the poverty line, and that federal support not be provided above that level. This is similar to the provision this Committee and the Congress passed last year, as part of P.L. 95-166, for summer camps participating in the summer feeding program.

This revision accomplishes several goals. It increases support to child care operations serving largely poor or near-poor children. At the same time, it prevents the CCFP from becoming a growing source of support for upper middle income nursery schools and the like. Just as Congress determined that the summer feeding program need not support summer camps for middle income children, we would apply the same principle to the child care food program.

Our proposal is also designed to improve access to the program for family and group day care homes by greatly simplifying their administrative procedures and providing for flat payments for administrative costs, and for food and labor costs.

Special Milk Program

We are proposing two revisions in the Special Milk Program. First, we are proposing to end the program in schools that already serve lunches or breakfasts. Since milk is already available as part of school meals, we do not believe it is necessary to subsidize further purchases of milk. We also recommend that the reimbursement rate for milk purchased through the Special Milk Program be adjusted annually in accordance with changes in the wholesale price of milk. Currently, this reimbursement is adjusted according to the change in overall restaurant food prices (the CPI for food away from home), although changes in restaurant prices may bear little relationship to changes in milk prices.

State Administrative Expenses

Two final areas of concern are state administrative expenses and nutrition education. In both of these areas, we are concerned that the needs of small states may not adequately be met, and that some minor changes in allocation mechanisms are needed.

P.L. 95-166 increased total state administrative expense funds, but an unintended consequence of its state allocation formula was to concentrate much of the increase in a few states. Six major states will receive close to half of the increase in SAE funds. The remaining states will have to split the difference, and many small states will receive little if any increase at all. The new allocation formula takes little account of economies of scale in populous areas, or the needs of rural areas with many small schools. It may not cost a state ten times as much to process claims and monitor one school with an enrollment of 3,000 as it takes another state to oversee a school with an enrollment of 300. Moreover, the new formula is not responsive to the needs of the child care food program. This program is filled with many institutions serving small numbers of children. It costs more per child for a state to administer this program than it does per child to administer the school lunch program.

Therefore, we are proposing a new allocation formula for state administrative expenses. Our formula guarantees slightly more SAE funds than the current law. Its main change is a modification in the mechanism for allocating funds. It provides funds to states specifically for the operation of the child care food program, and does this on a graduated scale so that less populous states get an adequate share of money. It also provides that when more than the minimum SAE funds authorized are actually appropriated, the Secretary may distribute these funds to states to improve the management of their programs. This will allow smaller and rural states to receive a larger share of SAE funds. It will also allow SAE efforts to be targeted on problem areas. For example, the Department intends that some fiscal 1979 SAE funds be used to monitor compliance with nutrition requirements, to assure that free and reduced price applications are on file to support reimbursements for free and reduced price meals, and to assure that schools do not receive reimbursements that exceed their meal costs.

Finally, we are proposing a small increase in state administrative funds for operating the summer feeding program. A new General Accounting Office report concludes that some states do not receive sufficient administrative funds to manage the summer program adequately.

Nutrition Education

Our proposed legislation contains a nutrition education and training title, but the changes are of language and not of substance--save for one. We are concerned that for the nutrition education and training program to be successful, it will be necessary to support the program with research, demonstration, and evaluation efforts to find what sorts of innovative approaches may work and what may not. We are also concerned that less populous states, with smaller grants, may be unable to find the funds to do such experimentation.

We are therefore proposing that up to 10% of the nutrition education and training funds be reserved for innovative research evaluation, development, and demonstration projects, with half of these reserved funds set aside for state education agencies. Universities and other research organizations could apply for the remaining half of these reserved funds.

I should note that our nutrition education and training title does retain entitlement funding for this program in fiscal year 1979, consistent with Congress' action in passing P.L. 95-166.

Mr. Chairman, that concludes my presentation of our legislation. I and my colleagues shall be pleased to answer any questions you might have.

Infant Mortality Rates Around the World

Deaths per Thousand Live Births

1.	Sweden	9.2
2.	Norway	10.5
3.	Denmark	10.7
4.	Japan	10.8
5.	Finland	11.0
6.	Holland	11.0
7.	France	12.1
8.	Switzerland	12.5
9.	Spain	13.7
10.	Canada	15.0
11.	New Zealand	15.6
12.	England and Wales	15.9
13.	West Germany	15.9
14.	Belgium	16.2
15.	Australia	16.4
16.	**United States**	**16.7**
17.	Hong Kong	16.8
18.	Ireland	17.1
19.	Czechoslovakia	20.4
20.	East Germany	21.1
21.	Italy	22.6
22.	Austria	23.4
23.	Israel	23.5
24.	Poland	23.5
25.	Greece	24.0

Source: National Center for Health Statistics, Rockville, Md.
Demographic yearbooks of the U.N.—1974 data.

Chairman **Perkins**. Proceed in any manner that you will.

STATEMENT OF MS. CAROL FOREMAN

Ms. **Foreman**. Thank you, sir.

I will go over the testimony in some detail so that you will be able to hear our explanation of the various provisions of the legislation we brought up. Although, as the secretary pointed out, the bulk of the pages that were given to you are revisions and attempts to simplify existing legislation, there are some, a few major changes in the legislation that I would like to describe to you.

The first one has to do with the special supplemental food program for women, infants and children, the WIC program.

The Administration's fiscal year 1979 budget proposed an expansion of the WIC program because evidence continues to mount that this program is one of the most effective and successful health and nutrition efforts of the Federal Government. Data collected independently by State WIC programs in such States as Arizona, Oregon and Louisiana during the years 1974 to 1977 show that WIC participants demonstrated a substantial reduction in anemia, a reduced incidence of low birthweight infants, and improvement in achieving proper weight of participants who were underweight or overweight when entering the program.

In Arizona anemia was reduced 81 percent in children, 64 percent of the children improved in height, 82 percent improved in underweight. Most important, Arizona found a very dramatic reduction in the incidence of low birthweight infants among pregnant women who received WIC services. Low birthweight infants are more likely to die before they are one year old, or fail to grow to full potential during childhood.

I would like to take a moment, sir, to indicate to you and the members of the subcommittee the chart that we have brought with us on infant mortality rates around the world and point out to you that although we are a nation that frequently goes to great lengths to express our concern about children and about mothers, we have continuously over the years ranked very far behind other developed nations in our infant death rate; ranking in 1975 16th among nations in the world in our incidence of infant deaths.

Oregon, also using the WIC program, found that 94 percent of the children initially at high risk due to anemia were no longer at high risk after one year on the WIC program. 56 percent of the children who had been obese no longer suffered from this condition, and 49 percent of the children who previously were at high risk of stunted growth had been raised to normal heights after a year.

Louisiana also found significant reductions in anemia during participation in the WIC progam. We now have a major study by HEW Center for Disease Control; CDC established a WIC surveillance program that covers the WIC program in 13 States and includes a data bank with records from over 700,000 health tests, and information on 230,000 WIC infants and children.

The new study documents the children entering the WIC program have in the beginning a very high prevalence of anemia, but after a year on the program the children experience a dramatic improvement in their hemoglobin and hematocrit counts. Of the children with low hemoglobin or hematocrit values, 94 percent were raised to satisfactory levels by the second WIC follow-up visit. The improvements were most dramatic for those children who were in the greatest need.

Finally, a study done by the Urban Institute, published in 1976, determined that the WIC program led to an increase of 77 percent in visits to health clinics by children in the target areas that they studied. This is another advantage of the program, that it encourages mothers and children to continue in the health program as well as providing them with nutrition.

Our proposed legislation would extend the WIC program for four years and the increased funding we have requested would enable us to meet more of those in need of the program's benefits. The legislation would also strengthen the nutrition education component of the WIC program. The secretary would establish standards to assure that adequate nutrition education is provided. Training programs will be required for all persons providing nutrition education. WIC clinics would also be authorized to provide nutrition education to people who are involved in the clinic, who are patients at the clinic but not necessarily involved in the WIC program itself.

States would be required to evaluate the WIC nutrition education annually and to include participants in this and we would require that nutrition education materials and sessions be conducted in languages other than English, if that is warranted by the area in which it is provided.

Our proposal would also change the WIC administration cost formula and provide increased support for nutrition education and for start-up costs. At present States are permitted to utilize 20 percent of their total WIC grant for State and local administrative costs. However, since States do not know in advance how much those costs are going to be, it is very difficult for them to budget properly. As a result, most States spend only about 17 percent for administrative costs.

Our proposal would provide that 20 percent of the funds provided for each fiscal year be set aside for administrative costs and each State would be given a grant to cover administrative costs at the start of the fiscal year.

In addition, we propose that administrative grants to State and local agencies no longer be tied strictly to the amount of food benefits provided, but take into account the varying administrative needs of different types of States and localities.

Finally, we would ask that the secretary be permitted, when reallocating funds, to exceed the 20 percent limitation if it appeared necessary for the effective administration of the program.

We are also proposing two very critical changes in the WIC eligiblity formula; the establishment of national income standards which we have not had before, and a reduction in the age until which children may remain in the WIC program.

We are proposing that to be eligible for WIC, pregnant, breastfeeding, and post-partum women, infants, and children be members of families whose income meets the standards for free or reduced-price school meals. Currently, income limits for the WIC program vary from State to State and locality to locality. In some areas, there are no upper income limits and persons may enter the WIC program without regard to their level of income.

In addition, our bill would allow children to participate in the WIC program until their third birthday. At the present time they are permitted to stay until their fifth birthday. There is a substantial body of research that indicates that the very first years of life are far more critical in terms of the role of nutrition affecting growth and development. But today pregnant women, infants, and very young children in one area, who may very much need this program, do not have access to it because older children are participating in another area.

We would like to see that the WIC funds go to those areas and those people where the need is greatest, and we believe that is best served by limiting it to those up to the third birthday. However, during the transition period, we would propose that children between their third and fifth birthdays already on the program be allowed to stay in until they reach their fifth birthday.

The second major change in existing law has to do with the school breakfast program. Today, while over 90,000 schools participate in the national school lunch program, only 20,000 schools offer school breakfasts, 27 million school children eat school lunches regularly but less than 3 million receive school breakfasts. The expansion of the school breakfast program is a priority with this administration. This is because a number of studies have indicated the valuable contributions that school breakfast can make.

The Iowa breakfast studies conducted in the early 1960's examined the effect of introducing the service of breakfast at school to a group of young boys. The studies found that maximum work rate and maximum work output were significantly better when breakfast was served, and that the boys showed recognizable scholastic improvement. Additional studies in Anchorage and many other less scientific reports tend to back up the Iowa breakfast studies.

Chairman **Perkins**. One question about the Iowa study. Was it conducted in the rural farm sections or in Des Moines and the urban areas?

Ms. **Foreman**. The study covered three groups of participants from in and around Iowa City, Iowa.

Chairman **Perkins**. Go ahead.

Ms. **Foreman**. The Administration proposal contains several provisions to expand the breakfast program. The centerpiece of these is the proposal to require the service of breakfast in schools where over half of the children enrolled have been determined eligible for free or reduced-price school meals. We think that this is a very modest proposal. Since many children who are eligible for reduced-price meals do not apply for them, it would generally require that at least two-thirds of the student body be needy before the requirement to provide school breakfast would take effect.

In addition, because we are aware that very small rural schools would have difficulty complying with the requirement, we have exempted all schools with an enrollment of less than 100 students.

Finally, we have attempted to provide a great deal of flexibility to schools in carrying out this proposal. We would allow them to bring in alternate schools into the breakfast program in lieu of a school otherwise covered, so long as the alternative school or schools enroll as many needy children. Therefore, school districts would have a great deal of freedom to decide which schools to bring in.

We would not have this requirement take effect until the 1979-80 school year. At that time we estimate that it would bring in about 9,000 schools and about one million children. This represents only one-eighth of the schools now serving school lunches but not breakfast.

A number of States in recent years passed the legislation requiring expansion of the breakfast program. Virtually all of those State laws requiring breakfast to be served cover a substantially larger proportion of schools than does our proposal. I should note that in States that have passed such legislation, important expansion of the breakfast program has occurred. In many other areas, the scope of the breakfast program remains quite limited.

To help secure effective implementation of our proposal our legislation also provides that all schools required to offer breakfast would be classified as especially needy and be eligible for Federal reimbursement that is significantly higher than the normal reimbursement rates. These schools should be able to cover any cost problems they might otherwise have because they will receive the especially needy rates.

We are proposing other changes to schools that would be required to serve breakfast and to encourage other schools to offer breakfast. We propose that the reserved category of equipment assistance funds be available to help schools purchase equipment needed to offer breakfast. We have also changed the allocation formula for distributing these reserved funds so that States that have received little or no reserved funds for years will be able to start receiving such funds to use for expanding the service of breakfast.

Finally, we are proposing a change that has long been sought by many school food service personnel because it will simplify administration and reduce paperwork. We are proposing to provide joint funding to schools providing both lunch and breakast, so that schools will not have to go through the considerable record-keeping burden of allocating these joint costs to each of the two separate programs. This should be of considerable help to local school food operators.

Presently States and local schools have to account separately for the school lunch and breakfast programs and a school that participates in both must not only keep records on breakfast and lunch served and the cost of those meals but must also have an accounting system which will allocate food labor and other costs between the two programs. The necessity to have that kind of system is a significant and unnecessary burden on local schools. The concept of a single authorization will eliminate the need for this burdensome allocation system and reduce record-keeping and paperwork. We believe that that will eliminate one of the disincentives for schools to participate in both the lunch and breakfast programs.

There are other major provisions. In addition to the changes to expand the WIC and school breakfast program, the Administration is proposing some significant structural revisions in other child nutrition programs. These changes are designed to target resources more effectively so that the WIC and school breakfast expansion can occur and to make other needed changes in the program. At present, both cash and commodity reimbursement rates in the child nutrition programs are adjusted annually to reflect changes in the food-away-from-home series of the Consumer Price Index. This series basically covers restaurant food prices and reflects changes in labor and other items as well as changes in food.

We agree that the food-away-from-home index is the proper one to use for adjusting cash reimbursements, but it is not the best index to use in adjusting the level of commodities to be purchased and distributed by the department. Our cost in buying commodities reflect wholesale food costs and not restaurant food prices. Our ESCS system has concluded that we can devise a better alternative index which would perform this function far better. The new index is based on the wholesale price index for food.

The wholesale price index for food does include items such as coffee and animal feed, and obviously those are not relevant for school feeding programs. Therefore, ESCS took the 5 major groups from the wholesale price index for foods that are relevant, cereal and bakery products, meats, poultry, fish and dairy products, processed fruits and vegetables and fats and oils. The new index we propose is simply based on changes in the wholesale prices of these 5 food groups. The 5 groups make up the overwhelming bulk of all USDA commodity purchases.

Based on the latest available information, we now expect that if our new wholesale price index is used, the commodity donation rate for 1978 and 1979 school year will be slightly higher than if the food-away-from-home index continues to be used.

We are also proposing that reimbursements for reduced-price lunches be set 20 cents lower than the reimbursement rate for free lunches. Prior to 1975, schools were allowed but not required to offer reduced-price lunches. Schools were allowed to charge 20 cents for those meals. However, schools receive only 10 cents less in reimbursement than they got for free lunches. This meant that a school charging 20 cents less for reduced-price lunches, as most of them did, could get 10 cents more in revenue from a reduced-price lunch than they got from a free lunch. The provision of this extra dime, as it was customarily called, was designed originally as an incentive to spur schools to offer reduced-price lunches.

However, Congress in Public Law 94-105 altered this situation by making the service of reduced-price meals mandatory. However, Congress did not at the same time discuss the extra dime provision and it remained part of the statute. Now that all schools are offering reduced-price meals, the Administration believes that the extra dime provision should be dropped.

We believe that revenues from reduced-price lunches should equal and not exceed those from free lunches. We have a chart to show, Mr. Chairman, members of the committee, the resources available for free and reduced-price lunches.

Free and reduced-price lunches are now provided to children from families with incomes up to 195 percent of the poverty line. Children above that are referred to as paying students. Federal cash and commodity support for paying students is now 27.25 cents per school lunch. The Administration is proposing to maintain, not to reduce that level. But we do have concerns about the rate at which this support level has risen over the past decade and we would like to propose some modification in the inflation index for this support in future years.

I would like to explain that.

In the early 1970s, cash support for paid lunches increased at a far faster pace than reimbursements for free or reduced-price lunches. I have some charts that will indicate what I am talking about here. Since May 1971, the base month for determining reimbursements for the 1971-72 school year, the Consumer Price Index for food away from home has risen 63.9 percent, and total cash assistance for free lunches has risen 72.8 percent.

During the same period, cash assistance paid lunches has risen 141.7 percent. A similar story is true for the breakfast program. While the Consumer Price Index has risen 57.5 percent, and total cash assistance for free breakfast has risen 61 percent, cash assistance for paid breakfasts, those going to the higher income children, has gone up by 130 percent.

One further item of interest here, and that is a comparison of Federal support for paying lunches served to students from middle-income families and Federal support through the food stamp program for poor families.

At present the average food stamp family has $3,600 a year gross income. We project that such a family will receive average food stamp benefits of 28.5 cents per person per meal in fiscal year 1979. By contrast, under existing legislation, Federal support for lunches to children from families over twice the poverty line will average 29 cents a lunch in fiscal 1979. We are going to be paying more per meal to support a lunch served to a middle-income student in a suburban school than we are providing per meal to an elderly family in a low-income area.

We think those resources can be better targeted. Therefore, we are proposing that the Federal support for paid school meals be held constant until its rate of growth since the 1972-73 school year is comparable to, rather than in excess of, the increase in food prices since that time.

This would mean that the support rates would remain at 27.25 cents per lunch rather than being increased to 29 cents per lunch in fiscal 1979. It is important to note here that at the same time we will be offering schools additional commodities from the CCC stocks. That is over and above their ordinary entitlement levels, and we expect to distribute an additional $25 to $100 million in commodities to schools next year. These additional commodities will offset some of the effect on schools of holding reimbursement levels constant for paying students.

I would like briefly to touch on the child care food program, which expires on September 30. This program has demonstrated its usefulness over the years and we would now propose that it be made permanent.

We are also proposing some revisions in the program because the present legislation is simply far too complicated for many child care providers to take advantage of it. A major source of complexity is the provision of three different levels of reimbursement rates for three different categories of children. We are proposing that the full free-meal reimbursement be provided for all children from families below 195 percent of the poverty line and that Federal support not be provided above that level.

Our proposal is also designed to improve access to the program for family and group day care homes by greatly simplifying their administrative procedures and providing for flat payments for administrative costs and for food and labor costs.

We are proposing two changes in the special milk program: first, to end the program in schools that already serve lunches or breakfast. Since milk is already available as part of the school meal, we do not believe it is necessary to further subsidize purchases of milk. We also recommend that the reimbursement rate for milk purchased through the special milk program be adjusted annually in accordance with the changes in the wholesale prices of milk.

Two brief final areas of concern are State administrative expenses and nutrition education. In both of these areas we are concerned that the needs of small States may not be adequately met and that some minor changes in the allocation mechanism are needed.

The legislation you passed last year, Public Law 95-166, increased total State administrative expense funds, but an unintended consequence of that legislation in its State allocation formula was to concentrate a great deal of the increase into a few States. Six major States will receive close to half of all the funds that you voted last year as increases in State administrative funds. The remaining States are going to have to split the difference. Many small States will receive little if any increase at all.

The new allocation formula takes little account of economies of scale in populous areas or those very special needs of rural areas with many small schools. It just may not cost a State 10 times as much to process claims and monitor one school with an enrollment of 3,000 as it takes another State to oversee a school that has an enrollment of only 300.

In addition, a new formula is not responsive to the needs of the child care food program because this program only has a number of institutions with very small enrollments. It costs more per child for a State to administer this program than it does per child for a State to administer the school lunch program. Therefore, we think that it would be appropriate to propose a new allocation formula for State administrative expenses.

Our formula guarantees slightly more SAE funds than the current law. Its main change is a modification in the mechanism for allocating funds. It provides funds to States specifically for the operation of the child care food program and does it on a graduated scale so that less populous States get an adequate share of the money. It also provides that when more than the minimum administrative expense funds are authorized or actually appropriated, the secretary may distribute these funds to States to improve the management of their programs. This will allow smaller and rural States to receive a larger share of these funds. It will also allow those funds to be targeted on problem areas.

Finally, we are proposing a small increase in State administrative funds for operating the summer feeding program. A new GAO report concludes that some States do not receive sufficient administrative funds to manage the program adequately. Our proposed legislation contains a nutrition education and training title, but the changes in this are really in language and not of substance, with one exception. We are concerned that for nutrition education and training programs to be successful it will be necessary to support them with research, demonstration and evaluation efforts to find out what sort of innovative approaches may work and what may not.

We are therefore proposing that up to 10 percent of the nutrition education funds be reserved for these kinds of innovative research and evaluation activities.

I would like in closing, Mr. Chairman, to give you a brief report on our implementation of the legislation you passed last year, P.L. 95-166. We have since the law was signed last November issued regulations to implement the summer feeding provisions of that act, the special milk provisions, the school breakfast provisions, the cash in lieu of commodities pilot projects, the provisions for paying in cash any shortfall in annual donations of commodities, the provisions of the nutrition education section dealing with the hiring of a State coordinator and the conduct of the State needs assessments and proposed rules to implement the competitive foods provisions which we announced last week. We expect to publish regulations shortly on the equipment assistance provisions of Public Law 95-166.

We have in recent months also published proposed regulations concerning food service management companies, initiated several studies aimed at improving meal quality, and are about to publish important interim regulations which will modify the type A school lunch pattern. This work was done at the same time that the food and nutrition service was preparing the massive regulations that were required as a result of the passage of the Food Stamp Act of 1977. Those were signed this morning and will be published in the Federal Register on Tuesday.

We are preparing at the same time the child nutrition legislation that we have before you today. We obviously stand ready to work with the committee and faithfully implement any legislation which you do enact.

We appreciate the opportunity to be here this morning and of course will be happy to take questions from you.

Chairman **Perkins**. Let me thank you very much, Ms. Foreman, for your testimony. I have worked continuously with the school lunch program for more than a quarter of a century. Back when we first enacted the breakfast program I was one of the first on board because we perhaps have as much busing in Eastern Kentucky as any place in the whole country. I well recognize the need for the breakfast program.

On the lunch program, I have always entertained the idea that if we did not have a strong, regular school lunch program, we were going to get in trouble on our free and reduced-price lunches. In fact, if it could be enacted today, I am one Member of Congress, who would be for giving free lunches to every child in the United States, because the youngsters with money, have the same tendency to purchase sweets for lunch and not spend their money wisely.

Seeing that the school lunch and breakfast programs are properly supervised is one of the greatest inadequacies in the nation today. That is the reason I want to make sure that we do a good job and not put this thing together in some hodgepodge way that will not be realistic.

Does your department anticipate that the meal price to paying students will increase as a result of your proposal to freeze the reimbursements for these students? If prices increase and paying students drop out of the program, do you believe that general support for the whole lunch program will decline?

Ms. **Foreman**. Mr. Chairman, we believe that because of this $25 to $100 million increase in commodity support that we are proposing to provide, that we have already begun providing even in this fiscal year, that it will not be necessary for school lunch prices for paying children to increase. If they did increase in certain localities, we would think that would be no more than one to two cents increase.

Chairman **Perkins**. Well, I think you are off some degree. I do not need any statistics because I have watched this thing over a period of years. In your proposed budget for fiscal 1979, you request an appropriation of $535.5 million for the WIC program. You also propose to amend existing law by limiting program participation to children up to the age of three. Assuming that this age limitation is not agreed to, and assuming that we allow for some program expansion, what would you estimate an adequate funding level to be?

Ms. **Foreman**. I would like Mr. Greenstein to respond.

Chairman **Perkins**. Go ahead.

STATEMENT OF BOB GREENSTEIN

Mr. **Greenstein**. Mr. Chairman, part of the question really is, there are perhaps over 5 million persons in the country, I think even at the limit of the third birthday, who might potentially be eligible for this program. What we were aiming to do with the third birthday limit was in a sense to say, so long as there is a limit on funding and not everyone can be served because of that limit, that the younger children and the pregnant and nursing women need it more than the older children.

In other words, whatever the funding limit is, there are going to be people in and people out. We wanted more of that target group in. The difference will not be that great, if you kept the fifth birthday in in the first year, because we did not remove all those people right away. Those already in the program would stay. Over the course of future years, if the program grew and substantial funding for expansion was provided, it could be several hundred million dollars a year in future years; less than that in fiscal 1979.

Chairman **Perkins**. I am aware of your proposal for a grandfather clause for fiscal year 1979 and 1980 for the three- and four-year-olds presently participating. In your answer did you take that into consideration?

Mr. **Greenstein**. Well, the question is, if you left the age limit at the fifth birthday and you granted the department, for example, whatever funds it could spend on the program, how much could we then spend? If that is the question, that is something we are looking at right now and we can provide you an answer shortly.

My guess at this point is that the maximum we could spend in 1979 would probably be in the area of—if there were no funding limit—about $600 million. But we are checking that more closely and can get back to you with more on that.

Chairman **Perkins**. Both the Advisory Council on Nutrition Evaluation and the General Accounting Office have stressed the need for an in-depth evaluation of the impact of the WIC program on the nutrition and health status of the WIC recipients. In your proposed legislation, you earmark $3 million for the purposes of program evaluation and pilot projects. Would this $3 million be used for such an evaluation and, if so, do you have a concrete proposal at this time?

Ms. **Foreman**. Yes, it would be used for that purpose, Mr. Chairman. It is specifically there to carry out this in-depth evaluatiuon that the Advisory Council thought was important.

Let me point out that in noting the need for the evaluation, the Advisory Council at the same time strongly urged that we seek an expansion of the program because it felt that the evidence thus far of the success of the program was overwhelming and that the program deserved increased support, even while that in-depth evaluation was being done.

Chairman **Perkins**. Let me state that to my way of thinking, knowing Eastern Kentucky as I know it, the breakfast program is a tremendous program. But in the communities where the children can get to school in 15, 20, or 30 minutes, we have to draw a line by all means and make sure, where those parents are able, that they feed their own children. That is the reason I am concerned about mandating—we have to draw a line somewhere. For those children that are bused from Beaver Creek in my home county, as an illustration, and Quicksand, Kenton, Salt Lick, Rockfort, Lower Troublesome Creek, we should have a breakfast program.

But in the Town of Hindman, we should not have a breakfast program because those students are at home in the early morning when they do not have to go to school until 8:30 or 9:00 o'clock. The breakfast program is successful in Eastern Kentucky when students are brought in before daylight; those are the children that I am really worried about. I think that where we have busing by court order and where we have busing in general throughout the nation is the real and the greatest concern for a breakfast program at this time—in that we are only serving a very small portion of those children.

I am wondering here if we are separating the wheat from the chaff and making sure that we take care of those children who should have breakfast, those that are being bused and who get up before daylight, because a child who gets up before daylight usually does not feel like eating breakfast and will not eat breakfast, but when you put him on a bus for a hour, take him to a school building, he feels then that he needs to eat.

Ms. FOREMAN. By the time he has been jiggled along for a while, he gets hungry.

Chairman PERKINS. I would like to ask how much you think at this time we should expand the breakfast program, Mr. Secretary.

Secretary BERGLAND. Mr. Chairman, we have recommended a change in the formula which would add one million youngsters to the program by redefining the eligibility requirements.

Chairman PERKINS. Ms. Foreman, will those eligibility requirements take care of the bused children that I have described or will it take care of the children locally? We have to make sure that we separate this situation because if we went to the floor and it was misconstrued that we are proposing a breakfast for children whose parents could afford the breakfast and are not being bused, it would not look good especially when we are leaving others out. We just open ourselves up to one amendment after another on the floor of the House.

Ms. FOREMAN. We have attempted to do two things with this proposal, to make it available to those students most in need, and to provide the greatest amount of flexibility to the local school system in making use of the breakfast program.

Let me add no State would be limited to the proposal that we have suggested. It is a minimum requirement. Any State, any school district can go on beyond, and many already have, the proposal that we have made.

Ours would go only to those schools where 50 percent of the children are eligible for the free or reduced-price meal. That means because of the fact that many children do not take advantage of the school lunch program anyhow that you probably have to have two-thirds of the students in any particular school being below 195 percent of poverty before you would have to have the school lunch program there.

In addition, some of these rural schools, very small ones with fewer than 100 students, would not be covered by that requirement. In addition, if a school district found that there are two-thirds of the students or 50 percent of the students in that school who are eligible but all those students live real close to school, and there is another school over here where 50 percent are eligible or a little less than 50 percent eligible, but most of them are bused in in the morning and have this problem that you have just described, then the school district could choose to bring that school in, rather than the school where the students all live right in the neighborhood.

So we have attempted to provide that kind of flexibility. We have limited the requirement to serve breakfast to those schools where we think the need is just so overwhelming, those where over 50 percent are at 195 percent of poverty or below, those where we now feel it is worthwhile to support the cost of their school lunch either in part or totally.

The school district, the State can and many will, I am sure, choose to go on beyond our mandate, and of course can receive the reimbursement that we make for the school breakfast program if they choose to go beyond the mandate. These are just in those areas of greatest need, we feel it is important to support that cost.

Chairman **Perkins**. Mr. Blouin.

Mr. **Blouin**. Thank you, Mr. Chairman. I have several questions that I would like to ask.

Let me first welcome personally my former colleague, Secretary Bergland, here today. I have enjoyed very much the working relationship we have had with the Department of Agriculture. I think my farmers are not that much different than the Midwest farm belt, Bob; and they are not all that upset with the policy of the Department of Agriculture. I thought you would like to hear an encouraging word once in a while.

Secretary **Bergland**. Thank you, sir; that is a change.

Mr. **Blouin**. I am going to rewrite that record later on, just in case somebody chooses to mail it out.

First, Ms. Foreman, in regard to the tables, I question the percentage growth in relation to the paid free and reduced-price lunch.

We pay 100 percent of the paid program, and around 80 percent of the reduced price; is that not about right?

STATEMENT OF LEWIS STRAUS

Mr. **Straus**. We pay close, in Federal moneys, to 100 percent for the free program.

Mr. **Blouin**. Free program. Excuse me, I did not mean a 100 percent of the paid program.

Mr. **Straus**. That is right.

Mr. **Blouin**. About 80 percent of the reduced price and about 40 or 50 percent when you count commodities?

Mr. **Straus**. Roughly 30 to 40 percent on the paid.

Mr. **Blouin**. Take 40 percent then. Percentages are funny things. When you add 10 percent across the board to that program, ten percent of a 40 percent subsidy translates into a heck of a lot higher percentage growth than 10 percent on top of a 100 percent subsidized or 80 percent subsidized program.

When I look at the tables that you laid out, the percent increases since the 1971-72 school year, I am wondering what message you are trying to relay here. Obviously when the free program is getting twice the dollars that the paying program is getting, you are going to have, on any kind of an across-the-board subsidy, a doubling of the percentage effect of subsidy on the paid program.

Ten percent of 100 percent is 10 percent, but of 40 percent is a heck of a lot more.

Mr. **Greenstein**. Ten percent of anything would still be the 10 percent.

Mr. **Blouin**. Not in terms of the percentage growth in the subsidy that is there.

Mr. **Greenstein**. All we were attempting to show is that the percentage growth in the subsidy that was there for the free and reduced price meals was about the same as the percentage growth in the food away from home index of the consumer price index. The percentage growth in the subsidy that was there for the cash payment for the paying students was substantially higher than the percentage growth in the consumer price index.

Mr. **Blouin**. The reason for that is——

Mr. **Greenstein**. Since the escalator has been put on, about 1974, somewhere around there, all those programs have increased at about the same percentage rate as inflation because they have been adjusted by inflation.

Mr. **Blouin**. The table at first blush leaves the impression that we have been doing a lot more for the paying program than we have for the free and reduced price program; the percentages that you use just do not fairly reflect that in real terms.

When you are supporting a program 100 percent of the costs and another program at 40 percent of the costs, and you add an equal amount of money to both, percentagewise it is going to reflect a substantially higher growth in the 40 percent subsidized program than the 100 percent.

Mr. **Greenstein**. Yes.

Mr. **Blouin**. And it does not tell you anything about quality of delivery of that program or availability. I think the table is somewhat misleading in that context. It could very well leave the wrong impression.

Mr. **Greenstein**. I think we were trying to show there are two periods in the history of the support for these programs. One was in the early 1970s, when the increases that were done on a yearly basis were basically done on the same number of cents per meal for all meals. At that time the result was that if the percentage increase for the paid meals as you are saying, grows at a far, far faster rate than the percentage for the free or reduced price and as a result the percentages of total support went higher.

Mr. **Blouin**. What is that supposed to mean? Are you telling us we are not supporting the 100 percent program you have?

Mr. **Greenstein**. In many schools it is not actually 100 percent for the free meals. There are some State and local contributions. There are many where it is somewhere below, and the reduced price is a bit below that. What we were attempting to show, if you want to go into more detail, is that if the Congress had put the escalator on in which all of these payment rates were increased by the inflation rate, had that been done in 1971 or 1972, rather than in 1974 when you did do it, there would be not as high a payment rate today for the paying students.

By contrast, had you not put an escalator rate on in 1974 and continued the practice of the early 1970s increasing the section 4 rate each year by a certain number of cents, the percentage disparity would have been even greater.

Mr. **Blouin**. Are you saying that is wrong, that 40 percent is too much?

Mr. **Greenstein**. We are basically saying the relationships around 1972 or 1973 were the proper ones. But beyond that, within budgetary limits we had to make choices between such things as expanding the WIC program and continuing to expand in fiscal 1979 and 1980 the cash support for the paying students. We thought it was more necessary to use that money to expand the WIC program and to increase the service of school breakfasts. The increase in the cash support for paid lunches that would be lost as a result would be about a 1-3/4-cent increase in fiscal 1979. The difference is about 3-1/2 cents in fiscal 1980. Then the index would come back on.

Mr. BLOUIN. You are subsidizing those that are paying, and you would prefer expanding the low-income programs instead? I do not argue with that.

Mr. GREENSTEIN. What we are saying too, is that we are providing extra commodities on top of these rates, which we announced in January and which will counterbalance the effect of this two-year freeze on the reimbursement for the paying students. We thought a better targeting of the resources would be where we felt there were critical needs, as in the WIC program, where people are not served. There may be permanent irreversible damage to the whole life development of these young children.

Mr. BLOUIN. I do not disagree with that. The impression is left, as I look at that table, that somehow we were not putting enough money into the 100 percent subsidized free program.

Mr. GREENSTEIN. No.

Mr. BLOUIN. I just wanted to make that clear.

Secondly, on page 13 you make the comment that we are paying more per meal to support the lunch served the middle-income student than we are to provide per meal to the elderly family in a low-income area. Is that not the fault of the elderly program? The Older Americans Act is terribly underfunded.

Ms. FOREMAN. The food stamp program.

Mr. BLOUIN. Are you making adjustments within the budget to increase the food stamp program to get away from the underfunding of the elderly?

Ms. FOREMAN. Last year the Congress put a cap on the total amount of money available under the food stamp program. It is an entitlement program up to the cap you provide.

Mr. BLOUIN. You mean we put a gag rule on your right to petition a change in the law.

Ms. FOREMAN. No. We are petitioning a change in the law.

Mr. BLOUIN. But not in the Title XX program; nor the food stamp program?

Ms. FOREMAN. Under the law you passed last year, the budget for the food stamp program is set. The reimbursement is set at the thrifty food plan, and that provides the 28 cents per person per meal for the average food stamp recipient that we described.

Mr. BLOUIN. But that is a problem across the board for all food stamp recipients, not just elderly?

Ms. FOREMAN. That is correct.

Mr. BLOUIN. Your reference here is not to the Meals on Wheels program, etcetera, the amount of money that goes into that?

Ms. FOREMAN. That is correct.

Mr. BLOUIN. Your reference is in the context of the budget that the administration has proposed and the change or lack of change in the way the program is handled?

Ms. FOREMAN. Sir, what we are saying is there are limited resources and within those resources we are now providing more support to my kids out in Montgomery County, Maryland, than we are to food stamp recipients.

Mr. **Blouin.** My question is, have you proposed any changes so that the funds will be directed away from your kids and to the elderly and the food stamps program?

Ms. **Foreman.** What we are proposing is a change away from my kids to those people who participate in the WIC program. That is all part of this package.

Mr. **Blouin.** So then if the Administration's proposal is accepted completely, that problem will still exist as outlined in that sentence?

Ms. **Foreman.** That is correct.

Mr. **Blouin.** Thank you.

Thirdly, on page 15, special milk program, there are a couple of things that concern me here. Third sentence: Since milk is already available as part of the school meals, we do not believe it is necessary to subsidize further purchases of milk.

Are you talking about the second milk which we abolished last year?

Ms. **Foreman.** This is a separate milk when the child does not purchase the school lunch.

Mr. **Blouin.** In other words, if they decide they do not want the lunch, they are going to have to pay full price for the milk?

Ms. **Foreman.** That is correct.

Mr. **Blouin.** When the original milk program was established, it is my understanding it was put together with two premises: One, that there was a relationship between the milk and nutrition and education, and two, there was a surplus of milk, and it was a good way to move the surplus to meet a need that existed. Is this an assumption that need no longer exists or there is no longer a relationship between milk and education?

Ms. **Foreman.** No, sir. It is, once again, our attempt to allocate to the greatest possible need the very scarce resources that we have. If we had unlimited funds, we would not be here asking you to do this. But we certainly do not have unlimited funds.

Mr. **Blouin.** Mr. Chairman, I would like one question for the record, if I might, and then I will step back.

I would like to know the figures in the milk program between what it would cost if we left it alone and what it is going to cost under the changes you are proposing. In other words, how many dollars are being withdrawn.

Ms. **Foreman.** Mr. Greenstein will respond.

Mr. **Greenstein.** I believe under the current program it would cost about $142 million in fiscal 1979, and I believe that under the change we are proposing it would cost about $30 million in 1979.

Mr. **Blouin.** You proposed to take about 75 percent of the milk program and abolish it?

Mr. **Greenstein.** In terms of expenditures, yes.

Chairman **Perkins.** Mr. Buchanan.

Mr. **Buchanan.** I would like to pursue that point further. What about the case of those children who are in school half a day and will not be there for lunch? You have young children in that category. This eliminates the milk program for them, does it not?

Mr. **Greenstein.** It continues the milk program in schools that do not have any food service program. But if it did, it would eliminate the milk program.

Mr. **BUCHANAN**. But you have children in schools that have a food service program who themselves are not there because they are little and they get out of school early.

Mr. **GREENSTEIN**. Under the proposal there would not be a subsidized milk program in that school.

Mr. **BUCHANAN**. I cannot wish you well or believe you will succeed on that point.

While I share the concerns of my colleagues in some of these areas, I do appreciate the priorities reflected in your recommendation. I do think you have the right priorities within funding limitations.

I do have certain concerns, however, about whether you are asking enough. For example, I would not eliminate from the program the 4- and 5-year-olds and will not do so until the stars fall from the heavens and the mountains are cast into the midst of the sea.

I would like a little more in-depth breakdown as to costs. For example, what percentage of the children eligible for WIC up through 5 years of age are we reaching now?

Ms. **FOREMAN**. We are reaching about a million and a quarter people right now.

Mr. **GREENSTEIN**. It is a little difficult to say how many are eligible, for one reason. The WIC program in addition to eligibility by income has eligibility by nutritional risk of some sort other than income. We do not really have the data to tell us what percentage of the people who fall below the income screen also meet the nutritional test. Most of them would.

At the present reduced price guideline, and with a limit at the third birthday, I think about 5 million plus pregnant women, nursing women, infants, and children would be eligible. If you go up to the fifth birthday it may be about 8 million plus.

Mr. **BUCHANAN**. That will be eligible?

Mr. **GREENSTEIN**. In terms of income. Some of those would not be eligible if you also have some sort of nutritional risk screen. How many are screened out by that we really do not have the data to know. It is our feeling that most of them would still be eligible. The program right now is reaching I think between 1.1 and 1.2 million people. It should reach about 1.3 by the close of the fiscal year, and our proposed funding level for fiscal 1979 would enable us to reach an average of 1.5 million during 1979, ending the fiscal year 1979 at between 1.6 and 1.7.

Mr. **BUCHANAN**. I understand the budget problems of the government, but it seems to me your very testimony as reflected on that chart, showing where we stand in terms of infant mortality, is an argument for a much greater commitment to this entire group of people. I will be very glad if we reach the point that we are not choosing between poverty children in Alabama and New York in Title I, and choosing which children shall suffer malnutrition.

Ms. **FOREMAN**. Let me point out that all of our studies indicate it is during pregnancy and the first two years of life that you have the greatest period of physical and mental development, that the nutritional supplement has its greatest impact. I would not deny that it also is useful to 4- and 5-year-old children, but it has the greatest impact on younger children. The mental growth has gone quite a ways by the end of that second year, and that is the reason that we are trying to target on that particular group.

Mr. **Buchanan**. I think that you and Mr. Bob Bergland ought to have a prayer meeting with OMB and Jimmy Carter on this whole subject. You take a child up to 3 years, then you drop them and do not pick them up for two years.

Ms. **Foreman**. We have about a half million children participating in addition in the child care feeding program around the country, and that generally hits children at the 4-year bracket before we get into the school lunch program, so we are providing some assistance to those children.

Mr. **Buchanan**. But you would not claim this covers them totally?

Ms. **Foreman**. No, sir.

Mr. **Buchanan**. I want to commend you for deciding to include this in your proposal. I think that is quite important.

Do you see any disadvantage in the increased reliance on commodities in terms of nutritional balance? Is there a sufficient balance in what is available under the commodities program so that this shift that you propose will not have an adverse impact on the balance in school lunch programs?

Ms. **Foreman**. Yes, sir. Because this is an add-on. This is in addition to the entitlement that the school already has. This comes free and clear and above all the other purchases that we make.

If we were going to say distribute CCC stocks of flour and not purchase frying chickens, then the answer to your question might be yes. But what we are doing is maintaining our regular level of purchases and adding these on from existing CCC stocks so it should not have——

Mr. **Buchanan**. I am concerned about school lunchrooms around the nation relying too heavily on starches.

Ms. **Foreman**. Of course, the schools under this will take only what they wish. We have asked them how much flour, how much cheese, and so on and so forth, how much nonfat dry milk would you like to have. They only get added on what they believe they can use.

Mr. **Buchanan**. Thank you very much.

Thank you, Mr. Chairman.

Chairman **Perkins**. Mr. Weiss.

Mr. **Weiss**. Mrs. Foreman, supposing you were faced with a situation in relation to this legislation in which you would have the option of either having the entire package put over for a year-pending further study-or having some major priority items adopted this year and having some of the more controversial aspects put over until the following year. Which of the items would you consider to be of top priority, the topmost priority?

Ms. **Foreman**. We think the bulk of what we have done here—there are those substantive issues that I listed in my testimony. The great bulk of the legislation is a rewriting and a simplification of the legislation, procedural rather than substantive, and procedural in a way that it should be of major assistance to the school food service organizations in the states.

We think it is an important individual package. It is very hard—it is impossible for me—to separate out priorities.

Mr. WEISS. Obviously there are some substantive changes that are included in this legislation and it is possible, of course, to provide a total comprehensive package which includes a dozen substantive changes or it is possible to take each of those changes and submit a separate piece of legislation for them. I am just really expressing some interest in knowing which ones you would think should really be the substantive changes, putting the procedural changes aside, which should in fact be adopted post-haste and which would not jeopardize the overall program, because I think you have gathered already that there are going to be some portions of this program which will be more controversial than others. I am sure you knew that when you put the package together. I do not know whether in fact you want to jeopardize the entire package because of one or two items which may in fact be controversial.

Ms. FOREMAN. Sir, certainly all of the things that I described in detail in the testimony we view as very high priority. Any time we bring a bill to the Congress we presume that the Congress is going to work its will on that legislation and that we will obviously urge you to do it our way. But I never brought a bill up here yet when you did not change in some ways. We would just urge you to consider the merits of each of these points, and we hope you come out our way.

Mr. WEISS. Let me ask about the total monies we are talking about. Is there any significant change or is there any change at all in the total authorization that you are requesting as compared to existing levels of authorization?

Mr. GREENSTEIN. In terms of authorization, most of these programs do not have an authorization ceiling. Most of them are open-ended authorizations, basically entitlement funding. The only one I can think of offhand where we do have a change in the authorization ceiling is in the WIC program. Our proposal for the WIC program is an authorization ceiling for fiscal 1979 of $535.5 million, which is the budget request, and such sums as are necessary for fiscal 1981 and 1982. Obviously we do not have a budget request yet for those years.

Ms. FOREMAN. Let me add on to that. In order to make the adjustments in the budget level for the school lunch that we have proposed, you have to act on the escalator clause or our budget in fiscal year 1979 will be larger. We will spend more money in fiscal year 1979 than we anticipate spending because our budget was based on your passing this legislation. So that is not an increase in authorization.

Mr. WEISS. But extra dollars?

Ms. FOREMAN. Yes.

Mr. WEISS. Indeed, in the school breakfast program itself if the provisions that are included in this proposal are adopted, would that mean a significant increase in expenditure of monies?

Ms. FOREMAN. Not in fiscal year 1979, because the program would not begin until the 1979–80 school year.

Mr. WEISS. But for the 1979–80 school year there would be a significant increase in expenditure?

Ms. **Foreman**. Or fiscal year 1979-80 there will be an increase.

Mr. **Weiss**. How much of an increase?

Mr. **Greenstein**. We are working on that. We have two different studies. There is some range of estimates but I think somewhere—we will get you more precise figures. I do not have them with me. If I recall, it is somewhere in the area of $60 million to $75 million incremental. I should add there has been some question, I know, about a figure of approximately 9,000 schools coming in in relation to the normal growth of the program over the last year or two.

Mr. **Weiss**. What is the current figure as far as school participation and dollars spent?

Mr. **Greenstein**. Currently there are about 20,000 schools and maybe 3,000 residential child care institutions in the program, about I believe 2½ or 2¾ million children.

Our budget estimate for fiscal 1979 for the program is $215 million.

When you add the normal growth on for fiscal 1980, we would be somewhere over 300 million for fiscal 1980.

Mr. **Weiss**. What is the major impediment to school participation as you would expect in the breakfast program?

Ms. **Foreman**. I would like Mr. Straus to address that.

Mr. **Straus**. I would sense, Mr. Weiss, that it is largely difficulties that schools have had in the past in adjusting schedules.

In addition, I would think it is a feeling which we do not feel is particularly justified, that heavy equipment and a very elaborate service system is required to install the program.

Third, there has been some reluctance on the part of administrators to participate in the program because of the feeling that the need really was not there. We have concluded that it is important for a limited number of schools, those which have substantial numbers of children at severe nutritional risk, to attempt to bring these schools into the program with some dispatch.

Mr. **Weiss**. Do you in fact provide sufficient increase in the heavy equipment costs assumption so that those arguments will not have much validity to them?

Mr. **Straus**. I believe so. In a proposed change in the allocation of the nonfood assistance, the equipment funds in this legislation, a certain proportion of the fund will be reserved for those schools moving towards a breakfast program.

The minimal equipment required would be a milk cooler, which is almost always available, but additional funds would be made available for these schools that require some extra equipment.

Mr. **Weiss**. Finally, Ms. Foreman, you mentioned in discussing the summer feeding program that you are providing for some increased administrative funds because of problems I assume you have run into. Can you give us a little more detail as to what in fact happened this past year and what you are anticipating for the current year? In New York there was some indication of lack of participation because the administrative costs that the Federal Government was providing were so inadequate. Has that happened across the country? What is happening?

Ms. **Foreman**. Let me ask Mr. Greenstein to answer that because he wanted to add on just briefly to Mr. Straus's answer on the previous question.

Mr. Greenstein. I think there are two issues here. One is the New York State issue and the other is New York State and the rest of the country.

Last year—the funding is given out under law—New York State last summer, the old formula was in and it was increased in P.L. 95-166 but that did not apply last summer. New York State planned on the basis of a much bigger program than resulted and ended up short several hundred thousand dollars. For this summer's program there was a new formula Congress passed last year that provided some increase. New York State felt that was not sufficient for them to run the program, and they turned it back to us.

In addition to that, two new elements entered the picture. A GAO report just came out saying for proper administration of the program, even the new formula was not enough.

Secondly, there were a number of new provisions that entered the bill as it went through Congress, vendor registration, and so forth, and they entail added administrative work. We began to feel that the increase in the formula we had designed last year was for the former program and there were now new administrative aspects to it. So we have come back again for a further increase in the formula.

The major change is that the 2 percent funding rate would be raised to 2½ percent, thereby giving States about a 25-percent increase in the adminstrative funds they would get.

I think if you look at this new GAO report it is fairly persuasive that if we want this program run correctly we do have to provide the States with the funds to run it correctly.

Mr. Weiss. What does that mean as far as the funding capacity or assistance to the States so they can run the program effectively? Do you anticipate the New York situation to be replicated across the country? Do you expect New York to be in a position to participate? Will you be coming in and running those programs yourself?

Mr. Greenstein. Let me ask Mr. Straus to answer that. Briefly, I would like to say I think the New York situation, from what I understand, is different from anyplace in the country. I think this should really take care of the issues elsewhere in the country, whether even this level will solve what New York State perceives to be its problem, since they felt what they needed was so far in advance of what the old formula provides, I do not know.

Mr. Straus. Mr. Weiss, we feel there were adequate funds available for New York State to run the program last summer. They were the funds available under formula in addition to funds available as a supplement to the normal state administrative expense funds, and we had a legal ruling those supplementary funds could in fact be used to run the summer program.

The State elected not to use those funds plus the 2 percent that we make available, a total amount of money, which we estimate close to $2 million, which was at least $500,000 more than the budget that they submitted to us.

That was a decision made by the State which I am not particularly pleased with, but since they will not run it, the Department of Agriculture will have to run the program this summer, and we will do it gladly. We would prefer that the State of New York run the program but in an absence of their will to run it, we shall do it.

Chairman **Perkins**. Mr. Kildee.

Mr. **Kildee**. Thank you, Mr. Chairman.

The Administration proposes an expansion of the school breakfast program. You indicate that 27 million participate in the program and of these, less than 3 million in the school breakfast program, which is about 1 out of 10.

What targets for participation do you have, say in fiscal 1979 and fiscal 1980, in the breakfast program?

Mr. **Greenstein**. We estimate we will reach approximately 3.2 million children in fiscal year 1979 and approximately 4.2 million children in fiscal year 1980 if the mandate were in effect for the entire year and 160 million additional breakfasts were served.

Mr. **Kildee**. How much would that depend upon State legislation participation? Many States have passed a school breakfast program, including the State of Michigan.

Mr. **Greenstein**. It is somewhat dependent on that, but—I am not sure of the exact number, maybe 5 or 7 States, that have legislation like that. In all those States such as yours, the mandate the State passed is far more expansive than the limited mandate we are proposing here today. In fact, in the State of Texas I believe it is in any school where more than 10 percent of the students are needy there must be a school breakfast program.

The mandate provisions we are proposing here would not have an impact in your State because you have a broader mandate, but it would help schools in your State comply with the provisions, the greater ability to get equipment funds to run a breakfast program, this procedure of not having to allocate funds separately to lunches and breakfasts, which in some situations can provide more funds to the school. Sometimes you lose money in one program that you do not pick up in another.

In fact, in answer in part to Mr. Weiss' question about some priority issues, obviously, as we mentioned, the breakfast mandate is a priority but we do not view that as a provision that can be separated from the four or five other provisions relating to the breakfast program we have in here, which schools really need in order to move forward with the mandate.

In other words, if we are going to require that we run the program we need to provide them the funds and the equipment and the allocation system, and so forth, to do that.

Mr. **Kildee**. When you approach OMB you are going to have to have a handle on the number participating because of a strong State program or the Federal program. I would assume your staff is trying to make some projections on that?

Mr. **Greenstein**. That is correct. We can supply those for the record if you would like.

Mr. **Kildee**. I would like to have that, yes.

[The information referred to follows:]

We have projected that a breakfast program mandate in schools with enrollment of more than 125 in which over 50% of the children are eligible for free lunches would result in an additional school breakfast program cost of $65-$75 million. Roughly, from this estimate, we would expect an increase in participation of between 850,000 and 950,000 children if the mandate were fully implemented.

Mr. Kildee. Thank you, Mr. Chairman.

Chairman Perkins. Let me compliment you, Ms. Foreman and all the Administration witnesses. You have been very helpful to the committee. I would have liked to have seen the package earlier but I know you people worked hard in getting it up here, and we will do the very best we can to resolve the problems and work together with you. We thank all of you.

Ms. Foreman. Thank you very much, Mr. Chairman.

Chairman Perkins. Our next witnesses will be the Panel II, Mr. Pollack, Ms. Harvey, Ms. Joseph, Ms. Hess, and Mr. Charney.

The first witness is Mr. Pollack. Identify yourself fully.

STATEMENTS OF RONALD POLLACK, NATIONAL COALITION ON CHILD NUTRITION; MS. STEFAN HARVEY, NATIONAL COALITION ON CHILD NUTRITION; MS. ANN JOSEPH, KENTUCKY TASK FORCE ON HUNGER; MS. LAURA HESS, MICHIGAN OFFICE OF NUTRITION; AND ALAN CHARNEY, AMERICAN FEDERATION OF STATE-COUNTY-MUNICIPAL EMPLOYEES, AFL-CIO

STATEMENT OF RONALD POLLACK

Mr. Pollack. Thank you, Mr. Chairman. My name is Ronald Pollack and I am here along with our four colleagues representing the National Child Nutrition Coalition.

[The statement of Ronald Pollack follows:]

TESTIMONY OF RONALD F. POLLACK

(FOOD RESEARCH AND ACTION CENTER)

on behalf of the

NATIONAL CHILD NUTRITION COALITION

before the

HOUSE SUBCOMMITTEE ON

ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

April 27, 1978
Room 2175
Rayburn House Office Building

Mr. Chairman and Members of the Subcommittee:

I am pleased to accept your invitation to testify on H.R.11699 and the Administration's proposals on child nutrition. The Subcommittee on Elementary, Secondary and Vocational Education -- under the wise direction of Chairman Perkins -- has enabled millions of youngsters to gain access to more adequate nutrition. We are pleased to participate once again in this Subcommittee's deliberations so that further improvements can be made in the child feeding programs.

On March 21, 1978, Chairman Perkins, along with eight other members of the subcommittee, introduced H.R.11699. As the Chairman noted when he introduced the bill as a starting-off point for discussion and debate, H.R.11699 was the product of six months work by a nationwide coalition of community groups, poor people's organizations, and child nutrition experts in every region of the country. To ensure that the bill was responsible and responsive to the needs of program participants, the coalition disseminated two drafts of the bill to over 10,000 people and received over 1,000 comments about those drafts. By carefully examining those comments -- and through numerous meetings with officials at USDA, Washington representatives of the American School Food Services Association, and WIC Program administrators -- members of the coalition prepared a bill that we believed was worthy of the Chairman's sponsorship and the Subcommittee's support.

Before I describe the major facets of the bill, it is important to note two important points. First, H.R.11699 seeks to consolidate the School Lunch and Child Nutrition Acts into one bill, thereby simplifying the legislative structure and provisions of the child feeding programs. Since the School Lunch and Child Nutrition Acts have been amended 14 times since

1970, we felt that the legislation should be simplified and rearranged into one bill to promote legislative and administrative efficiency. Thus, most of the legislation in H.R.11699 entails a restatement and reorganization of existing law.

Second, the differences between the Administration's bill and H.R. 11699 are not numerous. Indeed, the central thrust of both bills is very similar, and the differences in the two bills result mainly from a difference of emphasis concerning the desirability for program expansion to needy children. Consequently, the issues separating the two bills are not many and are easy to delineate, and we believe that this subcommittee will find that its legislative work during mark-up is neither cumbersome, complex nor time-consuming.

Three overriding goals permeate the legislative changes proposed in H.R.11699. The first concerns the WIC Program. As Stefan Harvey from the Children's Foundation will discuss in greater detail, we believe that the WIC Program should be extended and permitted to grow at the same pace as it has over the past year. Consequently, H.R.11699 (and the Humphrey-Simon bill, S.2630 and H.R.11259) would establish an authorization level of $650 million for the WIC Program in fiscal year 1979 -- the precise amount recommended by the Education and Labor Committee to the Budget Committee. Further, H.R. 11699 seeks an $850 million authorization for fiscal year 1980, and (like the Administration) "such sums as are necessary" thereafter. In devising these recommendations, the Committee should take cognizance of the fact that H.R.11699 would retain children's eligibility for WIC up to their fifth birthday; the Administration's bill, on the other hand, would substantially reduce the pool of eligible children by reducing children's age eligibility to their third birthday.

This difference in eligibility accounts for a substantial amount of the authorization level difference in the two bills. Since we believe that the program should continue to serve nutritionally-vulnerable children up to their fifth birthday (up to the time they might be expected to go to school and, hence, be eligible for the school feeding programs), we believe that the Administration's $535.5 million budget level for WIC is inadequate.

Second, we believe that the Child Care Food Program should be administered in a much more flexible manner so that additional family day care homes can be brought into the program. Inasmuch as family day care homes are the predominant means through which day care services are offered in the country, and since family day care homes are located most predominantly in impoverised communities, we feel that the Child Care Food Program must become more responsive to the needs of children in such family day care homes. To accomplish this, as Laura Hess from the State of Michigan will explain, it is necessary to establish more flexible licensing arrangements under certain limited situations affecting these family day care homes. Additionally, the reimbursement paperwork in the program should be reduced, and advanced funding as well as start-up costs should be made available.

Third, we believe that the School Breakfast Program must be expanded. Currently, the participation rate in the School Breakfast Program is very low, particularly in comparison to participation with its sister program, the School Lunch Program. As I will describe with greater detail in my testimony, participation in the Breakfast Program by needy children is currently only 19% of the participation by such children in the Lunch Program.

Since 1966, Congress has demonstrated a steadfast determination to get the Breakfast Program implemented in schools with high percentages of needy children:

> -- In 1966, Congress established the Breakfast Program and decreed that first consideration should be given to "those schools drawing attendance from areas in which poor economic conditions exist" and "those schools to which a substantial proportion of the children enrolled must travel long distances daily." [P.L.89-642, §4(c), 80 Stat. 886]
>
> -- In 1970, Congress established a state plan of operations mandate in which the state was required to document how it intended to expand the School Breakfast Program "to the maximum extent practicable to reach needy children." [P.L.91-248, §7(e)(i), 84 Stat. 212]
>
> -- In 1971, Congress authorized the Secretary to pay up to 100% of the full operating costs of the Breakfast Program in needy schools. [P.L.92-32, 85 Stat. 85]
>
> -- In 1975, Congress stated: "As a national nutrition and health policy, it is the purpose and intent of the Congress that the School Breakfast Program be made available in all schools where it is needed to provide adequate nutrition for children in attendance." The Secretary was required to devise plans to accomplish Congressional intentions pursuant to this policy. [P.L.94-105, §3, 89 Stat. 511]
>
> -- And in 1977, Congress required the states to establish criteria for the provision of "especially needy" reimbursement rates (rates which would permit 100% reimbursement of program costs), and required the states to offer such higher reimbursement rates to every school that qualified for them. [P.L.95-166, §12, 91 Stat. 1338]

In sum, Congress has been steadfast in its determination that the Breakfast Program be extended to schools in needy communities, and has tried different approaches to implement its expansion commitment. Unfortunately, however, it is clear that Congressional intentions to bring about reasonable expansion of the program have been frustrated.

Based on October, 1977 figures compiled by the Department of Agriculture, 90,660 public and private schools are participating in the School Lunch Program. In contrast, only 20,458 public and private schools are participating in the School Breakfast Program.

More importantly, there are 9,560,873 children receiving free school lunches each day and an additional 1,319,203 children receiving reduced-price lunches. By way of contrast, merely 1,941,779 children are receiving free school breakfasts and only 120,799 children are receiving reduced-price breakfasts. Thus, of the 10,880,076 children receiving free or reduced-price lunches, only 2,062,578 -- or 19 percent -- of them are receiving School Breakfast Program assistance.

In the appendix to my written testimony, you will find a state-by-state breakdown of the national figures. As an example, in Connecticut, 1,162 schools participate in the Lunch Program while only 57 -- or 4.9% of those schools -- participate in the Breakfast Program. In Idaho, 519 schools participate in the Lunch Program while only 23 -- or 4.4% of those schools -- participate in the Breakfast Program. And in Wyoming, 257 schools participate in the Lunch Program while only 7 -- or 2.7% of those schools -- participate in the Breakfast Program.

Because of the failure to bring about reasonable program expansion in impoverised areas, H.R.11699, like the Administration's bill, would establish an implementation requirement for schools serving substantial percentages of needy children. This requirement, although more extensive than the Administration's mandate, is considerably less comprehensive than similar mandates enacted by such states as Texas, New York, Michigan, Ohio and Massachusetts. Under H.R.11699, the Breakfast Program would have to be implemented in every school wherein 25% or more of the children receive free or reduced-price lunches.

We believe that this implementation requirement is both effective and reasonable. Experiences in the states that have had time to test out a Breakfast Program implementation mandate demonstrate that such a requirement brings about program expansion quickly and much more effectively than any other legislative device. Moreover, when contrasted with state expansion statutes, it is evident that the requirement in H.R.11699 is relatively modest. These points are best illustrated by describing the status and effect of School Breakfast Program expansion requirements in the states that have enacted such mandates.

1. Texas -- enacted in May 1977, the legislation requires implementation of the Breakfast Program in all schools in which 10% or more of the children are eligible for free or reduced-price meals. The mandate is effective for the 1978-1979 school year in all of these schools which have food service facilities, and becomes effective in the 1981-1982 school year for other schools. Since the enactment of the mandate -- despite the fact that it becomes effective in the 1978-1979 school year -- USDA reports that there has been a significant increase in Breakfast Program participation; October 1977 implementation figures show that 163 schools were added to the Breakfast Program at the beginning of this school year.

2. New York -- enacted in July 1976, the legislation requires implementation of the Breakfast Program in all schools in cities of 125,000 inhabitants or more. The legislation provides for a phase-in of the program in these mandated schools over a two-year period. Since the passage of the legislation, the number of children receiving breakfasts in New York City increased from 40,000 to approximately 82,000. In June 1977, the

the number of children receiving breakfasts in Buffalo was 3,000; as of October 1977, 13,000 were participating.

3. Ohio -- enacted in September 1976, the legislation also requires a phased-in operation of the School Breakfast Program. By January 1, 1977, the Breakfast Program must be implemented in all schools meeting the federal definition of "especially needy" for non-food assistance programs (i.e., such schools must have 50% or more children eligible for free or reduced-price meals); by September 1, 1977, the Breakfast Program must be implemented in all schools in which one-third (1/3) of the pupils are eligible for free meals; and by September 1, 1978, the Breakfast Program must be implemented in every school in which the parents of at least one-half (1/2) of the children have requested the establishment of a Breakfast Program. In one year from the enactment of the School Breakfast Program expansion requirement, the number of Breakfast Program outlets increased from 384 (Oct. 1976) to 789 (Oct. 1977) -- an increase of 105%.

4. Massachusetts -- enacted in 1970, the legislation requires "all public schools which draw their attendance from areas with a high number of needy children, as definied by the bureau of nutrition education and school food services in the department [of education], to make school breakfast programs available to children no later than September, 1972." The original regulations mandated Breakfast Program implementation in all schools in which 50% or more of the children qualified for free or reduced-price meals. Amended regulations substantially increased this requirement: for school districts containing a population of less than 50,000 people, a Breakfast Program must be implemented in all schools in which 100 or more pupils qualify for free or reduced-price meals; for school districts containing a population of more than 50,000 people, a Breakfast Program must

be implemented in all schools in which 50 or more pupils qualify for free or reduced-price meals. During the period between the enactment of the implementation mandate to October 1977, the Breakfast Program expanded from 45 to 735 outlets in the State.

5. Michigan -- enacted in January 1977 and modified in July 1977, the legislation requires a phased-in operation of the School Breakfast Program. For school year 1979-1980, a Breakfast Program must be available in schools wherein 50% or more of the children were receiving free or reduced-price lunches in the previous school year; for school year 1980-1981, a Breakfast Program must be available in schools wherein 30% or more of the children were receiving free or reduced-price lunches in the previous school year; and thereafter, a Breakfast Program must be available in schools wherein 20% or more of the children were receiving free or reduced-price lunches in the previous school year. The October figures demonstrate no effect of the mandate yet, particularly since it was enacted in final form only three months before October and since the mandate takes effect in the next school year.

Additionally, bills to require Breakfast Program expansion are currently pending in at least six states: Connecticut, Florida, Lousiana, Maine, Maryland, and Mississippi.

Consequently, we believe -- based on sound experience in several states -- that the mandate contained in H.R.11699 offers substantial hope for reasonable program expansion. We hope to work with members of this subcommittee to bring about the enactment of this mandate, as well as the passage of legislation to extend and expand the WIC and Child Care Food Programs.

Lunch & School Breakfast Information for Month of October 1977

STATE	No. of Title I Schools	No. of Title I Schools w/B'fast	No. of Schools w/lunch	No. of Children Participating			No. of Schools w/B'fast	No. of Children Participatin		
				Total	Free	Reduced Price		Total	Free	Reduce Price
AL	1,104	351	1,268	622,820	318,884	34,878	449	77,647	67,708	3,184
AK	144	8	219	33,012	8,649	1,287	25	1,999	940	36
AZ	493	203	863	266,680	99,205	13,601	304	34,970	25,213	1,119
AR	824	383	1,068	344,398	152,913	16,531	387	45,098	34,500	1,984
CA	1,770	1,529	6,867	1,722,105	948,492	99,746	1,920	295,789	247,280	11,832
CO	378	68	1,225	287,535	75,909	15,814	141	11,288	7,653	677
CT	371	12	1,162	283,224	93,747	16,993	57	5,556	1,795	111
DE	100	39	218	74,606	24,918	3,805	64	6,309	4,492	410
DC	90	84	196	73,755	60,405	2,581	188	24,886	23,567	498

Lunch & School Breakfast Information for Month of October 1977

STATE	No. of Title I Schools	No. of Title I Schools w/B'fast	No. of Schools w/lunch	No. of Children Participating			No. of Schools w/B'fast	No. of Children Participati		
				Total	Free	Reduced Price		Total	Free	Reduce Price
FL	1,228	539	2,033	1,030,306	404,910	110,243	779	119,371	92,871	10,743
GA	1,000	400	1,808	888,089	353,459	41,740	697	131,040	102,211	6,421
HI	94	90	230	152,247	33,342	10,810	124	15,754	10,713	2,678
ID	313	19	519	111,478	20,400	7,023	23	521	401	22
IL	Not Available	Not Available	4,173	1,075,973	393,806	23,671	757	68,966	64,138	552
IN	1,405	148	2,259	727,742	124,444	22,560	333	30,061	18,277	1,022
IA	1,073	80	2,023	480,421	69,661	21,139	132	9,935	5,126	477
KS	1,332	98	1,639	320,384	63,436	18,582	177	9,401	5,020	517
KY	1,123	615	1,494	585,401	226,550	26,928	775	127,706	91,565	6,385

Lunch & School Breakfast Information for Month of October 1977

STATE	No. of Title I Schools	No. of Title I Schools w/B'fast	No. of Schools w/lunch	No. of Children Participating			No. of Schools w/B'fast	No. of Children Participati		
				Total	Free	Reduced Price		Total	Free	Reduce Price
LA	937	419	1,760	774,947	389,798	35,648	682	118,619	92,523	4,270
ME	555	129	744	137,542	50,891	18,706	138	9,871	6,781	1,135
MD	371	141	1,413	418,852	153,719	31,833	422	30,404	20,948	3,466
MA	Not Available	Not Available	2,499	741,521	237,287	22,246	735	62,737	56,463	627
MI	2,000	87	5,210	795,233	259,246	28,628	135	14,592	9,791	1,051
MN	1,426	79	2,115	589,474	114,947	35,958	168	18,526	11,597	1,204
MS	826	191	938	441,536	274,194	24,726	258	56,286	46,661	2,814
MT	337	61	590	90,217	20,569	4,150	73	5,435	2,989	272
NE	377	55	1,123	185,104	32,763	11,106	70	4,397	2,379	330
MO	Not Available	Not Avail.	2,522	660,859	187,684	29,078	246	33,264	28,840	865

Lunch & School Breakfast Information for Month of October 1977

STATE	No. of Title I Schools	No. of Title I Schools w/B'fast	No. of Schools w/lunch	No. of Children Participating			No. of Schools w/B'fast	No. of Children Participati		
				Total	Free	Reduced Price		Total	Free	Reduce Price
NV	73	36	223	67,194	17,403	2,957	98	11,666	6,521	30
NH	331	28	440	96,178	25,102	7,117	37	3,995	180	851
NJ	1,483	325	2,548	743,264	347,104	48,312	414	53,209	43,685	1,38
NM	635	100	637	167,955	91,703	11,589	169	14,210	12,434	625
NY	3,162	890	5,899	1,733,091	989,595	71,057	1,159	134,002	113,366	10,184
NC	1,256	625	2,019	954,752	419,136	59,195	1,008	158,564	122,094	10,465
ND	361	10	457	68,944	13,996	3,309	26	2,381	1,150	48
OH	Not Available		3,937	1,060,198	235,364	23,324	789	92,232	86,421	1,291
OK	612	156	1,883	393,724	134,708	20,999	437	39,931	28,591	1,997

Lunch & School Breakfast Information for Month of October 1977

TATE	No. of Title I Schools	No. of Title I Schools w/B'fast	No. of Schools w/lunch	No. of Children Participating			No. of Schools w/B'fast	No. of Children Participatin		
				Total	Free	Reduced Price		Total	Free	Reduced Price
OR	699	84	1,187	253,971	58,159	13,714	100	8,081	5,503	461
PA	3,000	201	4,397	1,253,869	376,161	72,724	342	50,187	43,010	2,509
RI	217	38	377	80,510	40,174	6,602	66	6,527	5,796	196
SC	714	283	1,085	502,949	265,054	33,195	389	73,019	61,336	4,381
SD	340	86	645	114,941	27,701	7,471	135	7,595	4,679	456
TN	Not Available	Not Available	1,654	651,077	273,452	27,345	310	48,448	39,727	1,889
TX	2,845	---	5,148	1,604,633	698,015	99,487	1,404	197,208	167,232	8,874
UT	224	13	567	219,347	28,954	14,258	26	3,217	2,020	151
VT	388	14	361	50,526	15,865	3,537	23	1,236	433	83

Lunch & School Breakfast Information for Month of October 1977

TATE	No. of Title I Schools	No. of Title I Schools w/B'fast	No. of Schools w/lunch	No. of Children Participating			No. of Schools w/B'fast	No. of Children Participati		
				Total	Free	Reduced Price		Total	Free	Reduce Price
VA	1,000	200	1,797	714,366	252,171	36,433	384	44,777	34,389	2,418
WA	743	137	1,495	348,195	92,272	26,463	261	20,541	13,824	1,479
WV	605	264	1,228	258,464	110,623	20,677	460	50,882	35,974	3,816
WI	914	54	2,406	526,987	109,613	27,403	135	12,596	3,703	315
WY	116	6	257	44,246	6,770	2,080	7	562	501	31

Mr. **Pollack**. In order to facilitate and expedite a time sequence, I will try to summarize the statement that has been circulated to the members. Before I do so, I would like to commend the chairman for the fine assistance that he has provided and the leadership he has provided in the various child nutrition programs and the legislation that he has pioneered. It is our hope that the legislation that has been introduced both by the chairman on March 21, H.R. 11699, and the Administration's bill, will be given substantial consideration.

I would like to say one word about the bill that was introduced by the chairman on March 21, H.R. 11699. That bill was the subject of approximately 6 months of work by numerous people throughout the country in which two drafts were circulated to over 10,000 people around the country in order to obtain comments concerning the various proposals that are in that bill.

We received over 1,000 comments on that bill, and substantial refinements were made. We met with members of the Administration, with school food service representatives and with WIC program administrators. The bill was prepared at the end of February and was introduced in March.

We believe that bill has received substantial examination and it is our hope that it will be seriously considered by the committee.

Before I get to the major facets of that legislation I would like to make two points. The first point is that H.R. 11699 that was introduced by the chairman attempts to consolidate and simplify the School Lunch and Child Nutrition Acts. What we have tried to do is to prepare legislation which essentially would simplify the legislation that is already existing on the books.

Since 1970 this committee has considered child nutrition legislation 14 times and it is our belief that one of the reasons for the substantial amount of consideration given to those two laws, the School Lunch and Child Nutrition Acts, is because those laws need somewhat simplification and consolidation. That is one of the major reasons why we undertook to try to simplify existing legislation.

We do not believe that the legislative effort that would need to be undertaken to mark up that bill would be substantially time consuming, particularly since two-thirds of that legislation essentially merely recodifies existing law.

There are some important provisions that are new, and I will summarize them for you in a moment.

The second point I would like to make is that the Administration's bill and H.R. 11699 are rather similar in their basic thrusts. There are some differences in emphasis but the issues that are presented in those bills are approached fairly similarly, and we believe that the issues that are raised by those two bills are not complex and are not that numerous.

We therefore believe that the markup that would need to be undertaken to mark up this bill would not be terribly time consuming.

Let me mention the three basic thrusts that we believe are in this legislation that we consider most important for enactment this year.

The first is expansion of the WIC program. I will not detail that. Stefan Harvey on my right will describe in detail the essential thrusts of that legislation.

Basically, we would like to see it expanded to a $650 million authorization level, a level recommended by this committee to the Budget Committee and one which we think would sustain the growth that this program has undertaken over the past year. We believe that the $650 million level which this committee recommended to the Budget Committee is essential and is needed over and above the $535 million recommended by the Administration because our bill does not cut back the eligibility requirement for children.

Currently, eligibility goes up to the fifth birthday, the Administration proposes to reduce it to the third birthday. We would opt for retaining eligibility up to the fifth birthday as set forth in a bill introduced by Mrs. Humphrey on the Senate side and Mr. Simon on the House side.

The issue that I would like to devote greatest attention to relates to the school breakfast program. Essentially, our position is that the school breakfast program is currently operating at a level that is far too low. There are so many schools around the country that are located in needy communities but which do not have the school breakfast program. We think it is essential to try to get the program expanded.

Over the past year since 1966, when the school breakfast program was first implemented, Congress has been fairly steadfast in its determination to try to get the school breakfast program implemented in needy areas.

In 1966, when the legislation was first enacted, Congress required that a priority be established that the program be implemented in needy areas. In 1970, Congress required the States to set forth in their annual plans of child nutrition operations how to the maximum extent practicable they were going to expand the program to needy communities and to feed needy children.

In 1971 Congress expanded the breakfast program, or tried to, by authorizing payments of up to 100 percent for schools located in needy communities.

In 1975 Congress wrote in P.L. 94-105 as a national nutrition and health act: It is the purpose and intent of the Congress that the school breakfast program be made available in all schools where it is needed to provide adequate nutrition for children in attendance.

Last year Congress required that 100 percent funding be made available in needy schools and required the States to establish criteria as to which school should be considered needy.

We think congressional intentions have been very clear but the program should be expanded. Unfortunately, those intentions we believe have not been heeded.

We have circulated a brief summary document which sets forth the size of the school breakfast program in comparison to the school lunch program. You will see that, using October 1977 figures supplied to us by the Department of Agriculture, there are slightly in excess of 90,000 schools that currently operate the school lunch program. There are approximately 3,000 schools that provide lunches in residential child-care institutions.

In comparison, there are only approximately 20,000 schools which now implement the school breakfast program. Reducing it to the number of needy children who are being served by these programs, you will note that currently under the school lunch program there are 9,560,873 children receiving free meals, 1,319,203 children receiving reduced price lunches, for a total of 10,880,000 children who are now receiving free and reduced price lunches.

Under the school breakfast program, however, only 1.9 million children are receiving free breakfasts and only slightly in excess of 120,000 children are receiving reduced price breakfasts.

In total, slightly over 42 million children are receiving free and reduced price breakfasts, which is approximately 19 percent of the needy children who are currently participating in the school lunch program.

If one takes a look at the statistics State by State, one will note that participation in the school breakfast program is very low. At the end of my testimony I have appended a State-by-State breakdown of participation in the school breakfast program as compared to the school lunch program.

Mr. Kildee, you had noticed in the State of Michigan, for example, only 4.2 percent of the schools in the State of Michigan that operate a school lunch program are now operating a school breakfast program. That is one of the reasons the State of Michigan has decided to opt for a mandate requiring expansion of the program. That mandate has not yet taken effect but we believe that the State of Michigan, as well as other States that I will describe in a moment, has taken the correct approach. That approach is that the program be required in programs serving needy areas. We do not believe that the program should be expanded in any kind of erratic or haphazard fashion.

To the contrary, we would like to see the program expanded to the areas that need it the most, and H.R. 11699 attempts to do that.

What the bill tries to do is establish an expansion requirement, and that expansion requirement under the Perkins bill would require that the school breakfast program be implemented in those schools in which 25 percent or more of the children are receiving free and reduced price lunches.

We believe that is a responsible measure. We also believe it is an effective measure.

As examples for that conclusion what we have tried to do is give a synopsis of what the experience is in the various States which have experimented with such an implementation requirement.

You will note on the second sheet I have distributed we have set forth five States which have established mandatory expansion requirements. You will note that the experience in those States has been very good, the program has expanded very substantially, and the expansion requirements in the State mandates are considerably more ambitious than the mandate that has been proposed by Mr. Perkins, the one that we support.

For example, as the department witnesses explained, in the State of Texas all schools in which 10 percent or more of the children are eligible for free or reduced price meals they are supposed to implement the school breakfast program. Although this was enacted in

May 1977, and really had not taken effect as of the time the figures that are appended to my testimony were prepared, just the fact that the legislation was enacted in May spurred a substantial increase in the size of the program in the State of Texas, even before the mandate was to become effective.

In Texas, within the short time period between the enactment of the mandate and October 1977, 163 schools were expanded, brought into the breakfast program.

In the State of New York, every school in the five major cities in the State of New York, regardless of their poverty, is required to implement the school breakfast program. Those cities include New York, Buffalo, Albany, Yonkers, and Rochester.

In the short time period in which this mandate has been in effect, the city of Buffalo has experienced a 400-percent increase in the size of the school breakfast program, from 3,000 children participating in the program to 13,000.

In the State of Michigan the mandate that has been established and was enacted in its final form in July 1977 establishes a phase-in operation of the school breakfast program. Laura Hess, from the State of Michigan, will go into that in greater detail.

In the State of Ohio a phased-in operation is also enacted and as a result of the mandate the State has experienced a 105-percent increase in the size of the breakfast program from 384 schools to 789 schools.

Finally, in Massachusetts the mandate requires that the program be implemented in any school in which there are 50 or more needy children in large school districts and in which schools there are 100 or more needy children in smaller school districts.

Experience with those mandates we believe indicates that the mandate that is proposed in the Perkins bill, H.R. 11699, would be extraordinarily effective, much needed, and we believe that must receive a very high priority of this subcommittee's attention during the markup of the bill.

Thank you.

Chairman **Perkins**. We will hear from the panel and reserve questioning until we hear from the whole panel.

STATEMENT OF MS. STEFAN HARVEY

Ms. **Harvey**. I am very pleased to be here to discuss the future of the WIC program.

For the past 3½ years I have directed the WIC advocacy project for the Children's Foundation. During this time I have seen the WIC program expand and become an integral part of the health care provided by hundreds of clinics and health departments across the country.

Last night I returned from a three-day trip which took me to eight local WIC programs where I met with participants and WIC program staff and became further convinced that the WIC program is working, and working well. Many participants openly shared their feelings about the WIC program. For example, on Tuesday afternoon at a community health clinic in Dorchester, Massachusetts, a mother approached me to explain that her buying habits and her childrens' food preferences have changed since they began participating in WIC.

At the Hill Health Center in New Haven I met two community women who have been trained as nutrition consultants and now discuss nutrition and the WIC foods with the 1100 participants when they come in each month to pick up their vouchers.

The participants, health professionals and administrative staff of more than 1300 local WIC programs are anxiously awaiting congressional action on this program which has helped improve their health and greatly enhanced their professional ability respectively.

I would like to comment on three issues which differ in the bills introduced by you and Congressman Simon and the bill submitted by the Department. These issues include the funding level for next fiscal year, the maximum age for children and the change in eligibility criteria.

The funding level of $650 million as proposed in the two House bills and Senator Humphrey's bill must be passed. This amount is necessary and essential when one examines the current unmet national need. Last week The Children's Foundation completed an analysis of the listings of the unserved areas which are included in all WIC State plans. We found that approximately 1600, or slightly over half of all counties in the United States, have no WIC program.

The most recent participation figures from USDA indicate that in February 1, 124,000 women, infants and children participated in WIC. Compare that figure to the estimated 8.3 million who are potentially eligible and the need for program expansion becomes glaringly apparent.

WIC must be expanded in two ways. New programs must be implemented in unserved areas and operating programs must have access to additional funds to serve those on waiting lists, and yet unidentified low-income women, infants and children who are at nutritional risk.

The second issue is the maximum age of children. We urge the committee to support the proposed provisions in the Perkins and Humphrey-Simon bill and continue the current policy of providing WIC benefits to children until their fifth birthday. We constantly are told that one of the greatest results of the WIC program is that it introduces families to preventive health care and serves as an incentive for parents to see that their children receive ongoing health care.

At the Senate Nutrition Subcommittee hearings held earlier this month, Dr. George Owen, the pediatrician who did the pre-school nutrition survey, commented that it is often 3- and 4-year-old children who receive little, if any, ongoing health care. They are too old for well-baby clinics but too young for school health programs. Participation in WIC guarantees that their health status will be reviewed and assessed. At the same hearing, the nutritionists of the Wisconsin WIC program explained that they did a survey of the health status of the 3- and 4-year-old children and found that 50 percent of them had inadequate dietary patterns, 30 percent were anemic and 30 percent had unacceptable growth rates.

Finally, I would like to elaborate on the proposed change in eligibility which would make mothers and children from families whose incomes are at or below 125 percent of the Secretary's poverty guidelines eligible based on income alone. This change simply acknowledges the recognized correlation between inadequate income and nutritional risk. It is not intended to weaken the health and nutrition component of the program.

All bills before the committee stipulate that women and children determined eligible in income must agree to participate in the nutrition and health asessment to receive WIC foods.

Eligibility based on income would strengthen the preventive aspect of the program. Dr. Alvin Mauer of USDAs National Advisory Committee on Nutrition Evaluation and a member of the Nutrition Committee of the Academy of Pediatrics, has stated that if poor nutritional intake, poor growth rates, or low hemoglobin counts are used exclusively for eligibility determination, the WIC program may only offer a remedy to women and children already suffering the effects of malnutrition and may fail to prevent those effects.

There are several other issues I would like to comment on, but in light of the time I will include them in my written statement. However, let me mention just a couple of these provisions.

They include the mandate that the Secretary establish standards for program administration. This provision is included in both Congressman Perkins' and Congressman Simon's bill as well as the Administration's bill.

The special provisons included to address the unique needs of migrants are also very important. The provision for start-up funds is slightly different in the adminstration's bill and the two bills presented by members of this committee.

The Administration's bill proposes that start-up funds be included in the overall 20 percent for administration. The provision in Congressman Perkins' bill calls for start-up funds to be provided in addition to the funds for ongoing administration. This provision is necessary based on the program's experience under the current law which provides for start-up funds as part of the overall administrative funds.

The separate section on nutrition education in the Administration's bill would greatly enhance the bill as introduced by Congressman Perkins. The headline across yesterday's Metro section of the *Washington Post*, which read "Infant Death Rate 15 Percent of the Mothers Had No Prenatal Care," I think is a powerful endorsement of the WIC program when one realizes that the WIC program is bringing pregnant women into prenatal clinics earlier in their pregnancy.

Two weeks ago in Durham, North Carolina, I met one of these women who is determined that her second pregnancy would not end as her first did. Her first child was stillborn.

Chairman PERKINS. Thank you very much for your testimony. Now we will hear from Ms. Joseph, Kentucky Task Force.

STATEMENT OF MS. ANN JOSEPH

Ms. JOSEPH. Thank you.

Chairman PERKINS. I enjoyed your visit.

Ms. **Joseph**. I am pleased to be here today.

I am Director of the Kentucky Task Force on Hunger, a statewide coalition of organizations concerned about the issue of hungry children. Organizations participating with us include churches, labor unions, poor people's organizations, civic groups, community action agencies, legal services programs, people from the health-related professions, and Federal food service participants.

We are painfully aware of the presence of hungry children in our State and determined to seek remedies for these people. Of utmost significance amongst the resources available to assist in the alleviation of such hunger are the Federal food programs.

Your name, Mr. Perkins, is synonymous with these programs. Kentuckians are proud of the work of our congressman from the 7th district and we know of your continuing concern for children in our State and across the nation. We thank you very much for introducing H.R. 11699. We support you in this bill.

We are members of the National Child Nutrition Coalition. We know of the work that has been done. We participated in the work in the preparation of this bill, along with many other organizations that represent the interests of children, as Mr. Pollack explained. We would like to say that this bill is of most importance and should be seen and understood as a simplifying bill, one bringing together various aspects of the school food program.

We are concerned that this not be confused and that the issue not be made difficult to deal with.

We are indeed pleased, Mr. Perkins, that you are supporting the WIC provision of the bill. We know, at home, that while we are seeing 30,000 children, pregnant women, and nursing women participate in the program, we could serve up to 86,000. We know that there are 234 counties not yet participating in the program. We know that the program has been described by an operator in the State and by people in the State agency as one which can only now deal with emergency needs.

We see that the addition of funds will indeed help to expand the program and to bring it to those who are in need of its services. You have supported us in this and we do thank you for this.

We are concerned that the school breakfast issue and the prospect of the mandate be understood in the proper framework. We do not want to see a haphazard growth in the program either. We want to be responsible about how it will grow and mature.

In Kentucky about 50 percent of the schools are participating in the program, but it is only reaching about 39 percent of the children who are receiving free and reduced-price meals, and only about 22 percent of those who are participating in the lunch program. In your own district, Mr. Perkins, and in Knott County and Hindman, all the schools that are not participating in the program are feeding free and reduced-price lunches to more than 50 percent of their students; the figures run 70 percent and 80 percent, and I will attach those figures to my statement.

In most of the schools in the 7th district that do not participate in the program, the same will hold true. There is a high level of children who are receiving free and reduced-price meals in the lunch program who are unable to receive the breakfast program because there is not a program operating in their school.

I do understand your concern and we are concerned as well, but we certainly want to see this program made available for needy children where we know that they are coming to school without breakfast in the morning, and when we have heard that the availability of a breakfast program improves the potential for learning, improves their health situation and is, indeed, a positive aspect of a total school program. We are concerned that this not be portrayed as an effort to expand without responsible consideration.

In Kentucky we have been working on this school breakfast program for several years. There are places where we have been successful in working together with the State school food services department in bringing breakfast programs into schools.

I can tell you in my own home county of Madison County, we have two independent school districts and a county district. The two independent districts participate in the program. The county district, where children are bused longer distances than they are in the independent districts, do not have any of their schools in the program. We know the problems of transportation. We know the problems of scheduling. We know the problems of multipurpose rooms but we also know that where we have administrators who are supportive, principals, school superintendents, we have the program in place, and where we have principals and superintendents who are not supportive, who are not interested in the program, we do not have a program in place.

These problems that I mention can be solved, can be handled. We can find these problems having been handled in counties in the State, in States elsewhere, where there is a desire to implement the program. Where there is not a desire we think we need encouragement and we feel that the mandate will assist State officials who are interested in the program in bringing back—in backing them up to bring the school breakfast program into operation in the schools in the area that are serving particularly needy children.

We have seen parents in Jackson County, who very much wanted to have a school breakfast program, start it on their own, begin to operate it in a local church, receive the support of teachers and eventually receive the support of school superintendents, the school superintendent and the principal.

Now the program is in place in that county. We know that there has been reluctance and we would like to share with you the fact that when the program operates, when the program is in place, there is support for it, there is interest in it, there is concern for it.

I feel that in Kentucky the State school food services director and the State Department of Education, given their expansion and their effort in the program already, would not be in a difficult situation with the mandate. I believe this would assist them as they expanded the program further.

We are interested in supporting you in your efforts in H.R. 11699. We feel you represent our best interests. We will do anything we can to bring to you the information that you need for the implementation of this bill.

We thank you very much once again, and I am pleased to be with you.

Chairman **Perkins**. Let me thank you very much for good testimony.

Ms. Hess, we will hear from you at this time.

Do you want to say anything, Mr. Kildee, at this point?

Mr. **Kildee**. I want to welcome Ms. Hess. Her reputation and credentials are well-established. I am glad she is in the position she occupies in Michigan, where we are making breakthroughs.

Representative Clodfelter's bill is in place now and we hope that the Federal government will be wise to set its priorities in a correct fashion so we can assist you in your job there in Michigan.

STATEMENT OF MS. LAURA HESS

Ms. **Hess**. Thank you. We are looking for that help. We really are.

I am here with you this morning to voice my support for H.R. 11699, which you have introduced and which I am very pleased, Mr. Kildee, that you have participated in.

By way of my remarks, let me share with you the experience we had in Michigan, both on the child care food program and the school breakfast program.

Michigan has participated in the development of a national advocates bill. In Michigan we held a series of four meetings around the State in which over 300 people participated. These people were State agencies, food service personnel, community groups and consumers. I am very pleased to see that the bill that was developed as a result of the hearings in Michigan, as well as the meetings of advocates around the country, is very close to the Administration's bill because I believe that will facilitate working out the issues within the framework that both groups have established so that the major changes can be made this year.

I believe the bill provides mechanisms for increasing or bringing benefits to additional children, both within the State of Michigan and across the country.

The bills also simplify cumbersome structures that prevent children now from participating, and will streamline procedures for the administration of these bills.

The bill also requires specific documentation in terms of its State plan. I believe that this is very necessary for the effectiveness of the program for reaching target population, for outlining problem areas and addressing those problems. I believe the changes in these bills are imperative if we are to meet our goals of meeting the nutritional needs of children.

The child care food program was expanded by the child nutrition legislation of 1975, and included for the first time family day care homes. The child care food program is similar to the school lunch program in that it provides reimbursement for meals and snacks served to children who are being cared for in the home of another person or in a day care center.

In Michigan we have tried to implement the legislation, and I believe we have done a very good job of it. We have had some difficulty, though. In order for a family day care home to participate in the program, it must be licensed, with which we have no problem, but it also must be sponsored by a nonprofit organization, and therein lies our problem.

The current legislation does not allow for start-up funds for the sponsoring agencies and we have been trying to get community groups, people who are close to the day care homes, to implement, to become sponsoring organizations. Because they have not had the funds, they would have had to divert other very necessary funds from their programs to the child care meals program. The legislation that is before you will make those start-up funds available and will increase the number of sponsoring organizations within the State of Michigan. There are at least six community organizations that would sponsor day care homes if they had the funds available.

Another problem that sponsoring organizations have are the administrative funds. This is the money that they need to run the program; this is especially true in areas where there is a limited number of day care homes, but they still must have the sponsoring organization, but that sponsoring organization must have a set staff in order to facilitate the program and in order to administer it.

It is imperative that there be a floor below which funding level the administrative costs will not go so that there can be continuity in the program for the day care homes.

Many States, not only Michigan, have had a problem with reimbursements being made to the homes and centers in a timely fashion. There is a number of problems with this, with getting the funds to the centers and homes in time. We feel that in order to address this problem the provision in the bill which allows for advance funding would alleviate the problem.

I am pleased to see that the bill does include control mechanisms that will—although it will allow for advance funding, will also make sure that the advance funding is handled in a very reasonable and fiscally-sound fashion. The flat cost of food rate, and also the ⅔-⅓-⅓ provision will be especially advantageous to centers where two-thirds of the children are eligible for the free or reduced-price rate or the meals would be reimbursed at the free rate.

One of the problems now is the high level of paperwork. This provision will reduce it significantly and will therefore encourage more centers to participate in the program. The eligibility requirements for participating in the child care program are for the most part the same. The homes and centers—the homes must be sponsored by a nonprofit organization unless they themselves choose to become nonprofit.

The licensing provision is changed and, although we do not have a problem with the Michigan licensing area, other States do. Other States that do not license homes, that do not license them in a timely fashion, that restrict the homes which they will license, has in effect cut off those homes and therefore those children from participating in the program.

While we appreciate the need for standards and are pleased to see that there are standards, licensing standards required by the legislation, we hope that the committee and the Congress will agree that the standards must be realistic in terms of the licensing procedures that are in the States now.

Let me turn my attention now to the breakfast program. As has been indicated, Michigan has a breakfast mandate. The requirements for the Michigan legislation are that, beginning in 1979, schools that have 50 percent or more of their children eligible for free or reduced-price meals must offer a breakfast in 1980, schools that have 35 percent of the students eligible for free-participating in the lunch program the previous year must offer a breakfast program. And by 1981, schools in which 20 percent or more of the students participated in the previous year at free or reduced-price lunch program must implement a breakfast program.

The legislation that is before you sets the percentage at 25. For Michigan this is a difference of about 50 schools. There are 1,000, slightly over 1,000 of the 4,000 schools in Michigan will come under the State legislation. In 1973 there were 169 schools participating in the school breakfast program. By 1975 this had been reduced to 56 schools serving 8,500 students. During 1976, when a coalition of food advocates, unions, church groups, League of Women Voters, consumers and parents and teachers began working on the legislation, 40 schools adopted the program. Over the previous number of years the average number of schools going into the program was 24.

So in that previous period of time before the mandate was in effect, when schools knew it was coming they began to implement the program.

Again during the 1977 school year, although again the mandate has gone into effect, the number of schools offering the breakfast program will be 248. This single year increase, from 1976 to 1977, almost equaled the highest total school participation year ever. The Michigan law requires that the mandating go into effect in 1979. Yet we are projecting that in this coming school year there will be over 400 schools going into the breakfast program because the mandate is there.

I believe Miss Joseph said it very well, schools in which the administrators support the program have a breakfast program and it works well; schools in which the administrators oppose the program do not have it or, if they have it, it does not work well.

What we found during the course of our work on the State legislation was exactly that, where there was an administrative support for the breakfast program it was in place; where there were problems with the school board, though, it was not in place. There were many teachers who were supportive of it, many parents, students, who were supportive of it, but they could not get past that roadblock of an unsupportive school board or administrative staff.

I believe that is the reason why the mandate has been effected before it has taken effect, and that is because the administrators see the writing on the wall, they know they will be required to do it and so they have done it.

If we were to allow the breakfast program to expand at its own natural pace, that is the rate at which it had been expanding previously, we had figured that all of the schools that will be required to implement a breakfast program by the legislation would have a breakfast program in place by the year 2020. That is an awful long time for hungry children to wait.

On Tuesday the Michigan House Committee on Education heard testimony from about 20 school districts concerned that the breakfast mandate apply to them. It was obvious from the testimony that the opposition to the program was from school administrators who were reluctant to have their 9-to-5 day altered. They have used the official networks that they have with the community, and with the parents, to promote misinformation and dissension about the programs. They raised several problems such as transportation, schedules, and supervision. Those problems are real, but there are districts similar to theirs and they will also eventually work those problems out, usually in a very creative fashion.

There were some schools in Michigan that introduced a breakfast program and when the mandate was changed to phase an implementation, had thought that they would take the breakfast program back and wait until they were actually required to do it. There was such a hue and cry, gentlemen, from the parents and the teachers that they immediately rescinded their decision and continued the breakfast program in the school.

One of the issues that was involved in the recent Michigan initiative was a question of whether or not the breakfast program should be placed on the ballot, leave it up to the local community. The House Education Committee turned it down. The matter has been put into a subcommittee where specific problems such as transportation, supervision, will be worked out but in which the mandate will not be touched, school boards participating in the development of the mandate legislation. School food service personnel and administrators participated in the development of the mandate.

The legislature passed it. The Governor signed it. The people spoke through their elected officials. The elected officials had a chance in a very objective fashion to listen to all the arguments, the pros, cons, the biases, the advocates, and came to a decision.

It was an avenue, it was a forum that would not be available to us in the public sector. We do not have the channels, but wherever we have had access to parents, to teachers, we have found tremendous support. The breakfast mandate in Michigan does not take effect until 1979. In spite of that delay, the breakfast mandate is alive, well and working even now.

We recommend very highly that Congress take similar action and make a breakfast program available to other children who are hungry, who live in other States in this Union.

Thank you.

Chairman PERKINS. Thank you very much.

Our next witness is Mr. Charney, American Federation of State-County-Municipal Employees.

STATEMENT OF ALAN CHARNEY

Mr. CHARNEY. I am a consultant to Local 372, District Council 37 of the American Federation of State, County and Municipal Employees in New York City. This local represents the 9,000 school food service workers who work in the New York City Board of Education, providing lunches and breakfast for children. We were involved in a very extensive effort, similar in its political focus to the one just described in Michigan, to bring about a breakfast mandate law in New York State.

A law which was passed by the legislature in 1976, let me briefly describe it. It was a two-part law. There was a 1-year phase-in period by September 1976.

[Prepared statement of Mr. Charney follows:]

Local 372
N.Y.C. Board of Education Employees
140 Park Place, New York, N.Y. 10007 766-1190

Charles Hughes
President

TESTIMONY CONCERNING H.R. 11699

THE EXPANSION OF
THE
NATIONAL SCHOOL BREAKFAST PROGRAM

DELIVERED BEFORE THE HOUSE SUBCOMMITTEE
ON ELEMENTARY, SECONDARY AND VOCATIONAL
EDUCATION

APRIL 27, 1978

Betty Silverstein, Executive Vice President • **Rose Gamble**, Vice President • **Mildred Stephens**, Treasurer
Yetta Auerbach, Recording Secretary • **William Jackson**, Sgt. At Arms • **Josephine Battista**, Sgt. At Arms

Affiliated with DISTRICT COUNCIL 37, American Federation of State, County & Municipal Employees, AFL-CIO.

My name is Alan Charney. I am a Consultant to Local 372, District Council 37, the American Federation of State, County and Municipal Employees (AFSCME).

Local 372 -- the New York City Board of Education employees local -- represents among its members more than 9,000 school food services workers of the New York City school system. Each day our members prepare and serve over 500,000 lunches and nearly 100,000 breakfasts in over 1,100 school sites throughout the City.

In addition, AFSCME, through its affiliated locals, represents thousands of other school food service workers throughout the United States. Still other AFSCME locals represent thousands of workers in child care centers and in WIC programs.

Over the years, in pursuit of the collective bargaining rights of school food service workers, Local 372 has developed a deep interest in enhancement and expansion of child nutrition programs. As workers at the point of provisioning, we, more than anyone else, are cognizant of the importance of these nutrition programs for the well-being of all children. Therefore, we enthusiastically welcome the introduction of H.R. 11699 by Congressman Perkins. This bill represents the kind of comprehensive, far-reaching legislative initiative surely needed in the field of child nutrition.

From our perspective, the key provision of H.R. 11699 concerns the adoption of an expansion requirement for the school breakfast program. Based upon our experience in New

York City, we are convinced that an expansion requirement is an absolute necessity if the school breakfast program is to become a nutritional and educational reality for millions of children in our nation.

Along with many other organizations, Local 372 carried out a two-year struggle to promote and implement an expansion requirement in New York State. In 1976, the State legislature passed a Breakfast Mandate law for the five largest cities in the State -- New York City, Buffalo, Rochester, Syracuse and Yonkers. It was a two-phase bill which called for the implementation of the breakfast program in all schools with one-third or more free-priced children by September, 1976, and which further established the program in all other schools in the five cities by September, 1977. In addition, the legislation contained provisions for reasonable state reimbursements -- thus guaranteeing that no school district would be forced to divert local, tax-levy funds into the breakfast program.

In pursuing the State mandate, there has never been any question in our minds concerning the importance of the school breakfast program for the well-being of our children and the enhancement of our schools.

a. All the critical studies point out the precise interrelationship between adequate nutrition and improved educational performance -- including the amelioration of tardiness, absenteeism and delinquent behavior.

(a) cont'd

The few community school districts in New York City that embraced the program prior to 1976 could all testify to its educational effectiveness.

(b) Nearly 50% of the 1,050,000 children in the New York City schools are eligible for free priced lunches; another 25% are eligible for reduced-price lunches. This has stood as overwhelming evidence of the economic need of the school breakfast program.

(c) In a period of changing family patterns, the school breakfast program can perform an essential function in reinforcing the integrity of the family. In particular, the increasing participation of women with school-aged children in the labor force and the significant growth of single-parent families point toward a need for an expansion of such social services as daycare and school breakfast.

(d) The increased federal revenue flowing into New York City as a result of a breakfast expansion could certainly act of a stimulating multiplier in a shaky local economy. We have estimated that if school breakfast participation reached the level of lunch participation, nearly $50 million would be available for local purchases and wages.

(e) An expansion of the breakfast program would clearly enhance the economic position of the food service workers. Since the majority of our members are hourly workers with less than a full-time schedule, the breakfast program means additional work and wages. This has been particularly important for the many members who support an entire household on their earnings in the schools. In addition, new employment has been created for other community residents.

Obviously, these five factors are not specific to New York City. At least every major city in the United States fits the pattern. School breakfast can benefit the school food service workers, the children, the parents, the school and the community.

Yet, in 1975 when we began the struggle to establish an expansion requirement in New York State, the great majority of schools in New York City and the other major cities did not have a breakfast program. This was a full ten years after the passage of the Child Nutrition Act of 1965. Ten years of inactivity demonstrated that a legislative mandate was the only way to guarantee its implementation. Indeed, we found that there were three serious obstacles that obviated any attempt to expand the program on a purely voluntary basis.

a. Unfortunately, school breakfast was viewed by many people as "another welfare program." It was necessary to emphasize the similarities between school lunch and school breakfast and to point out the obvious educational benefits for all children that derive from proper nutrition. It was also important to counter the specious argument that this program would "break up" the family. We brought out the clear economic and social benefits that could accrue from its expansion -- including the potential flow of millions of federal dollars into the City.

b. There were certain institutional factors in the operation of the NYC school system that appeared to be insurmountable barriers to the implementation of the school breakfast program. These factors ranged from problems of class scheduling and bussing patterns to alternate uses of cafeteria facilities. There was also a serious concern on the part of the community school districts and the central Board of Education about the ability of the breakfast program to "pay for itself" without the use of local tax-levy funds. This was an acute problem because the community school districts were to be fiscally responsible for the full operation of the breakfast program. (The lunch program, however, is run centrally through the Offices of School Food Services.) To meet these objections, we made certain

b. (cont'd)

that the New York State breakfast law contained a state contribution and that every school in NYC would be eligible for "specially needy" funds.

c. At the outset, administrators and educators were generally not sympathetic to the school breakfast program -- an attitude congruent with their feelings about the school lunch program. Child feeding was an intrusion in the instructional process; it was a "necessary evil" that only caused administrative problems within the schools. This attitude was maintained in spite of the overwhelming evidence that school breakfast leads to an improvement of educational performance, and that even tardiness decreases once there is a successful program. Unfortunately, this attitude has proved to be a deep-seated one. Even today, with the full mandate in effect, the actions of a principal at a given school can cripple the breakfast program. This is the case even in the poorest areas of the city.

As was mentioned earlier, the New York State breakfast law had a one-year phase in period. All schools in the five largest cities with 1/3 or more children eligible for free lunch had to introduce the breakfast program in September 1976. In formulating this two-step process, much attention was given to the question of "eligibility verses participation." It was felt that if the introduction of the breakfast program was tied to participation in the lunch program, then there would be an incentive on the part of some administrators to reduce the free-lunch participation in order to be exempted from breakfast. In addition, the use of eligibility as the key criteria allowed for the introduction of the breakfast program in a greater number of schools. After all, the whole point was to implement the program as effectively as possible.

In September, 1977 the second phase of the mandate law went into effect. Every school was required to have a breakfast program in operation. By November, 1977 there were 80,000 breakfasts being served on a daily basis, and the count is climbing in 1978. Of course 80,000 breakfasts is just the beginning. It takes much time and effort to make any new program function effectively and massively. Yet, even the 80,000 daily breakfasts are a substantial achievement considering the following problems:

a. The breakfast program is operated by the community school districts, not by the Central Board of Education. The 32 community districts, with the execption of District 1,' have had no experience running a school feeding program; indeed, the lunch program in all the schools has always been operated independently by the Office of School Food Services.

b. There are no funds directly available for outreach by the community school districts to promote the breakfast program. Evidence from other feeding programs, particularly food stamps, has already confirmed that an outreach

b. (cont'd)

effort is essential to success. Participation does not just happen by itself; it must be organized. This effort takes genuine coordination and involvement of school officials, parents and other community representatives.

c. A handful of school districts have chosen to defy the mandate law, and, to date, have not implemented the breakfast program in every school. Thus, many thousands of children have not yet had the opportunity to participate in the program.

Yet, in spite of these major problems, as well as a host of minor ones, the program is established, and it is expanding. Only a legislated mandate enabled us to push aside the institutional and attitudinal barriers. Furthermore, we were confident that the mandate would work because of the obvious social and economic need for the breakfast program. We maintained that this need existed both for poor families and for the families with working parents as well.

Therefore, based upon our analysis and our experiences, we believe it is time for Congress to move forward with a bold legislative mandate for the school breakfast program. The provisions of such a mandate, as contained in H.R. 11699 introduced by Congressman Perkins, certainly constitute a firm basis of deliberation.

Thank you.

Mr. **Kildee**. Proceed.

Mr. **Charney**. I will go back to the beginning on the law.

It was a two-part law voted in in 1976 by the State Legislature. The key provision is that the five largest States, the five largest cities in the State—New York, Rochester, Buffalo, Syracuse and Yonkers—would have to have a breakfast program in place in all of its city schools by September 1977. There was a one-year phase-in period, however, so that as of September 1976 all schools in those five cities with one-third or more children eligible for free lunches would have to have the program.

The phase-in program was essentially just to prepare the school systems as a whole for operational administrative reasons. Now we had to fight to win the mandate in New York State. We fought this battle in spite of the fact that we had overwhelming reasons to have a mandate and to have a breakfast program secure in at least the five largest cities.

I would like to run those reasons down.

Number one, take New York, for example; New York City has a little over one million children in the city school system. Half of them are eligible for free lunch; another quarter eligible for reduced-price lunch. No question, there is great need for a breakfast program in all the city schools.

Secondly, look at the question of fiscal benefits that would accrue to this program, especially to a place like New York City, which has been going through a rather extensive fiscal crisis in the last few years. We estimated if the breakfast program could achieve the same level as the lunch program, we could get $50 million more in Federal funds into our city. This would benefit our community, our city, our children, our government.

A third aspect had to do with trends in social phenomena, with the family. Here I am referring to the rather sharp increase in the last several years of a number of women who have children, who are working, who are in the labor force, a figure which I think is approaching 50 percent. I am also referring to the tremendous growth in single-parent families, both male-headed and female-headed, a growth which has doubled in the last 10 years, I believe. These and other trends lead us to the conclusion that a school breakfast program is now a needed social service for many families in the city.

The fourth reason had to do with the relation between proper nutrition and educational performance. Studies around the country, the experience of those few districts in New York City that had implemented the program, demonstrated to us that having a breakfast program meant not only better educational performance but a decrease in tardiness, a decrease in absenteeism, a decrease in discipline problems within the school. We found good empirical evidence that this was true.

The final reason was one that was at least dear to our heart as a union, that an expanded breakfast program would mean more work for our members, who are essentially part-time workers, who work four or five hours and who many times have to support themselves or entire families on that one partial income. Having the breakfast program there would mean one to two additional hours of employment, and also for other community residents, people who are unemployed now, who many times cannot have access to them, because they have to take care of families, jobs close to where they live. These were five overwhelming compelling reasons.

We ran into opposition. I want to lay this out. I think it is not only specific to New York, but it could be generalized. One criterion of the opposition was the fact that many people wanted to label the breakfast program as a poverty program, that stigma. From the beginning we took the position, and the correct position and the one that Congress took when it enacted the breakfast law, that the breakfast program was on a par with the lunch program. In fact, the breakfast program, the way it is structured, is not a poverty program at all.

The reason we went after the State mandating, for example, that we wanted a program in all schools within the five largest cities, because there were needy children, but also children from middle-class families who would benefit from this program.

To give you an example of this, the two districts in New York City which before the mandate went into effect had implemented the program on their own, voluntarily, those districts, two of the districts perhaps the lowest percentage of needy children in the city. It was indicative to us that the demand for breakfast came from more than merely the poor community, that it was more broad-based than this.

The second set of obstacles we ran up against were the cries of many administrators and school boards and other officials that there would be operational problems, administrative problems to running this program, scheduling, busing, multiuse, overcrowding of the schools, problems which everyone has alluded to.

But, again, I guess we are not fortunate in having a very complicated educational system in New York City, where we have a central board and community boards who initiate the program before the mandate, and we were able to point to what had happened in these districts and demonstrate that these problems have been overcome, that in a district like Manhattan, which is a large district which has a large amount of busing, this problem has been overcome. They were serving close to 50 percent of the childrens' breakfasts in their classrooms in some instances, and they saw it as important and they were able to make the accommodations.

The third major obstacle we came up against was a strong attitudinal one on the part of administrators and educators. They saw the breakfast program much like the lunch program as an intrusion in the educational process, a necessary evil, something that is only there because children have to eat all day but if we can avoid it we should not have any feeding programs in the schools. This is a deep-seated problem. The administration has alluded to it as a passing problem. I do not see it that way. I think it will take a mandate and several years of experience to get a lot of educators and administrators over this hurdle.

We waged a fine struggle in Albany. We did get the law passed with the cooperation of unions, of social and civic organizations, poverty organizations.

In September 1977 the full mandate went into effect. All 32 community school districts and all high schools were required to have the program. We now have 90,000 children eating breakfast and the number is climbing. We feel that overall the program has been successful. But I want to talk about some of the problems we are having, the problems that Congress has to take into consideration when it thinks in terms of expansion of the breakfast program.

Some are specific to New York and some are not. The specific ones have to do with the fact that basically in New York City we have community school districts and a central board of education. The central board runs the lunch program. Because they waffled on the question of the breakfast program they decided they wanted the community school district to run the breakfast program. They did not have any long experience in running feeding programs. There were many startup problems. They were willing to do it but many times they did not have the technical assistance to do it. This is something Congress has to address itself to.

You just cannot put a program in place in a school, have the food service workers there, open up your doors and expect hundreds of children to flock to it. Even if you know they want it, you cannot expect this. You have to do some work around it. You have to go to the community, to parent association meetings, to community organization meetings, speak about the breakfast program, talk of its importance, get parents and children involved in that program. It is an organizing program.

The final one I want to talk about is the one I alluded to before the problems we had in getting the mandate, the opposition of a lot of administrators and educators.

We still find this in New York City. In the high schools they are run as sort of separate fiefdoms. Each principal has a great amount of autonomy. You find the principal who is in favor of the breakfast program in a high school, in a vocational high school, a thousand kids are being fed breakfast. In an academic high school the principal is opposed to the program and has stated this publicly, and two kids are eating breakfast. There is going to have to be a lot of educating of the educators in this area. With that I will stop.

I do have prepared testimony which I would like to submit at some point which goes into this in greater detail.

Chairman PERKINS. Without objection, all your prepared statements will be inserted in the record as they were prepared.

I do not know what the time problem has been, but in view of the lateness of the Administration's proposals, I had the occasion yesterday afternoon to discuss the situation with this group.

We may be able to go all the way. I have always felt that this program was so important that we should not legislate too hastily, and I want to see the program expanded as much as any of you people want to see it expanded. When we get it expanded I want to see it function properly so that we will always have a strong program for all the nutrition services across the board.

I know the WIC portion expires this year. That is a must. But I take it that you people want us to consider everything you have discussed and you consider it most important today and not next year; am I correct on that?

Mr. POLLACK. You are right in your statement that the WIC program is absolutely critical for legislative attention because it expires. So does the child care food program.

Chairman PERKINS. What understanding has the Senate given you people. Would they move on all these programs if we moved?

Mr. POLLACK. It is our understanding—and we have been working very closely with the staffs of the various members on the subcommittee and the committee—it is their inclination to move ahead and mark up an entire bill. I think the major reason the Senate at this point is inclined to proceed is largely a reason that I think would really be pertinent to the House side as well.

Specifically, since 1970 you and your colleagues have worked arduously to produce a good school lunch and child nutrition act, and 14 times since 1970 you have had to amend the legislation. One of the reasons I believe that your committee has spent so much time working on this legislation in addition to your steadfast determination to make sure these programs work well is because these laws have been enacted somewhat in an unorganized fashion and as a result you have two acts which could easily be consolidated into one piece of legislation and very much simplified.

I think in terms of this committee as well as the considerations in the Senate it does not make that much sense to every year come by and pass legislation once or even two times a year on these various programs.

There are certain things that can be done to clean up this legislation so that you do not have to go through this tremendous time-consuming work every single year and sometimes twice a year.

What we have tried to do in the bill that you introduced in March is to try to simplify the legislation. Almost two-thirds of what is contained in the bill you introduced in March—this is also true of the Administration bill—is purely a rewrite and reorganization of current law. I do not think that is going to take a tremendous amount of time of this subcommittee or the full committee. I think the members on the Senate side should have looked at this markup very carefully—we have offered to assist your staff as well as the minority staff—that you will find after examining the legislation that you introduced in March and that the Administration provided to you over a week ago, the legislation is not very complicated and it is not very time consuming.

It is my belief that both the Senate and the House can accomplish the markup in a manner that is careful but yet not time consuming.

In direct response to your question, I think the Senate is going to go ahead and it is our hope that the House has some input into that legislative process and also carefully considers the measures that are before you.

Chairman PERKINS. Go ahead.

Ms. HESS. I would like to address the question of why now from a community perspective.

In Michigan last October or September we held four meetings across the State and we attracted over 300 people present at the meetings, an untold number of phone calls and letters from people who wanted to tell us what the child nutrition legislation should look like.

Other States have held similar forums. We have brought together people from all over the Midwest to talk about child nutrition legislation. The ideas that these people came up with, the consensus they reached are embodied in the bill you have before you. The United States Department of Agriculture held hearings across the country to find out again from school administrators, food service personnel, parents, teachers, community activists, what they would like to see in the child nutrition legislation.

They are presenting you with a bill that is very similar to H.R. 11699. There are degrees of difference but the concepts are the same.

The National Advocates Task Force has been working since August of last year to put together the bill. The bill is very definitely a consensus of the national concern for child nutrition legislation. You and members of your committee have worked year in and year out on this legislation. Community groups have been organized, they have responded, and they are interested. They want to see the changes. They see child nutrition legislation as imperative, and they see this comprehensive bill with the programs very intertwined as meeting the needs.

People get frustrated when they have worked long and hard and have not had their ideas responded to in the fashion that they think they should be responded to.

Chairman **PERKINS**. Let me interrupt you to say I have gone through this for many, many years. I put some bills through the committee before your organization came along, a hundred million for this school lunch program. To bypass the Appropriations Committee out of 632 of the old Agricultural Adjustment Act of 1935, just to build this school lunch program in general.

I know there are some facets to it that if we do not get them to work right, sentiment may go against us, which I never want to happen. I want to build and build so far as the school lunch program. It was just my reason for asking the question that I put to Mr. Pollack awhile ago.

Ms. **HESS**. What I was trying to say, if we are ever going to make a comprehensive bill to streamline the programs, this is it. I have never seen an organization at a time when the Administration, the community people and the administrators were together on a program, and I am afraid if we do not do it now, it will never get done.

Chairman **PERKINS**. It will be done. Whether we do it this year or next year it is going to be done, and going to be done very comprehensively.

Ms. **HESS**. I wish I had that confidence.

Chairman **PERKINS**. I hate to put through a bill of this magnitude with so few hearings and with this deadline. I had planned on 40 to 50 days of hearings, at least that many hearings, to make sure every time we put a block in place that block is placed in the right place.

It is when you write that legislation that you get in a hurry.

Mr. **POLLACK**. Mr. Perkins, I was just informed concerning the question you raised initially about what the Senate proposes to do. The Senate has scheduled markup, and the markup is scheduled for the 3rd of May, this coming Wednesday. It is my understanding that it is their intention to proceed with a markup of the entire legislation.

I know one of the things that concerns you the most is what you often call the regular school lunch program, and we are very sympathetic with the expressions that you stated during the time the Agriculture Department witnesses were here.

Let me assure you in terms of what we are urging you to do, and we hope that you are willing to hear our plea, we are not asking that the regular school lunch program be jeopardized in any way. We will join with you in any effort we make in terms of what support we can provide your important efforts to make sure this regular school lunch program is not jeopardized at all.

In fact, the bill that we prepared, that you introduced in March, does not in any way seek to cut back the regular school lunch program. I know that is your major concern because that is a part of that legislation that you have worked under for years and years, and have played such an important leadership and constructive role.

It is not the intention of us to try in any way to harm the regular school lunch program.

Chairman PERKINS. I want to feed—naturally, if we cannot feed everybody—those who are in need first, but I would like to see us feed everybody. That does go for the school lunch program.

Mr. POLLACK. Our comprehensive bill does not seek to harm that.

Chairman PERKINS. Yes.

Mr. Kildee, any questions? You go ahead, and after you get through I think we will recess until about 12:30.

Mr. KILDEE. You mentioned the change in attitude of the school administrators. I was there when they were very outward in their opposition. I can recall when I was co-sponsor of Public Act 198 for the handicapped the school administrators were opposed to it. That came up only because of parental advocacy.

I am heartened to see the change in school administrators. Because when I was there there were some who thought the year 2020 would be too soon for the program. Is it because the program is in place they are accepting it?

Ms. HESS. It is to some extent, I believe, that, but I think it is also when we were working on the legislation the first time around the school boards and the school administrators very closely controlled things. There were teachers from whom we got letters who said: I don't dare voice my support publicly.

There were parents who kept saying: But they tell us if we have the breakfast program we won't have this or the other.

I think a lot of the publicity that the legislation generated made people aware that although what administrators were saying they would have problems with, but they were not insurmountable problems and it became a question of philosophy and attitude. The school administrators know now they will have to have a mandate. All of a sudden the parents and the teachers have come up and said: Boy! This is great, the change we see in the kids.

And the administrators are just shaking their heads. A lot of them are saying: If we had known this and had more experience we would have supported it in the beginning.

They are listening to their fellow administrators who have the programs in place. I also am very pleased to see this. It has been a long road.

Mr. KILDEE. I know I was still there when Mark was pushing that bill. I am happy to see it is law now.

Apparently the chairman wants us to persist. I appreciate the panel's participation, and we will convene again at the time set by the chairman.

Chairman PERKINS. The committee will come to order.

Mrs. Gene White, Redwood Taylor, and Robert Cherry, come around, please.

Mrs. White is President of the American School Food Service Association.

Thank you and the representatives for your appearance here today. We are looking forward to hearing what you have to say. We will hear from you at this time.

Without objection, all prepared statements will be inserted in the record.

STATEMENTS OF MRS. GENE WHITE, PRESIDENT, THE AMERICAN SCHOOL FOOD SERVICE ASSOCIATION; REDWOOD TAYLOR, DIRECTOR, DIVISION OF FINANCE FOR SCHOOL FOOD SERVICES KENTUCKY DEPARTMENT OF EDUCATION; ROBERT CHERRY, DIRECTOR, SCHOOL FOOD SERVICES, ARCHDIOCESE OF CHICAGO

STATEMENT OF MRS. GENE WHITE

Mrs. WHITE. Thank you.

I am Gene White, President of the American School Food Service Association and Director of Food and Nutrition Services of the State of California for child nutrition programs.

With me today is Mr. Redwood Taylor, Director of the Child Nutrition Programs for the State of Kentucky, and Mr. Robert Cherry, Director of School Food Services, Archdiocese of Chicago.

Before going into my testimony, I would like to briefly comment on a question raised by Mr. Blouin this morning. He expressed concern about the section 4 reimbursement escalation and had commented that the information from the Administration was somewhat misleading.

I would like to point out that the escalation of section 4 has progressed something like this: In 1971 there was a two-cent increase reimbursement by law; in 1973 there was another two-cent increase, also legislated. By 1975 the section 4 reimbursement had been increased by four cents. This was a matter of statute. Therefore, the four cents of this escalation that has been in question was a matter of legislation, passed by the Congress, and is not the result of the escalation clause under consideration.

I believe this information may be of value in answering the question raised.

I am here today to testify on the Administration's bill entitled "The Child Nutrition Assistance Act." It is similar to H.R. 11699, known as the advocates bill, in that it would consolidate and supersede the School Lunch and Child Nutrition Acts.

The Administration bill has been carefully drafted and contains some provisions which we could support. However, we cannot recommend adoption of this legislation at this time, and these are the reasons:

First, it is being used to legislate a reduction in Federal support for meals served to paying children in the school lunch, breakfast, and child care programs. Rates of Federal cash and commodity assistance for paid lunches would be frozen at present levels for some indefinite period, but at least for two years. With the operation of the escalator clause suspended, the loss in Federal assistance per lunch would be close to five cents by the middle of the second year. In round numbers, this would mean a loss of Federal funds to the lunch program of nearly $100 million.

The Administration testified this morning regarding this loss of reimbursement, and commented that the commodities would be increased and this then would offset the loss in reimbursement. I would like to point out that in the real world of school food service, things just do not work this way. The commodities, as you know, are a very important and valued part of the Federal assistance. However, commodities will not pay wages, they will not buy supplies, and they will not pay utility bills. The cash reimbursement must also then be provided for programs so that they may be used this way.

The bill also calls for a reduction of 10 cents in Federal reimbursement for reduced-price lunches. In many schools this will mean an increase of 100 percent from 10 to 20 cents in the price which children eligible for such lunches now pay. This would affect all States, but many States such as Georgia and Maryland would be severely affected because they offer a statewide 10 cents reduced-price lunch. They would be affected 100 percent in all of their schools and for all participating children.

Further, the bill would eliminate Federal assistance for the paying child in the child care program. This would affect some 15 percent of the children now participating, some 75,000. It would especially affect many child care centers where at least 50 percent of the children are now paying for their breakfast, lunch, and in-between meals supplements.

In even more drastic form, the proposed legislation would virtually eliminate the special milk program. In California this would amount to $11 milion next year alone. We therefore strongly oppose each of these proposed changes in present levels of Federal funding for these programs.

Secondly, Mr. Chairman, let's take a look at another important factor in the legislation, and this is the time frame for this legislation. We are now nearly halfway into the last session of this Congress, and the administration is only now offering this comprehensive bill, and we are only four months away from the time that the next school year starts. Even if this comprehensive piece of legislation were enacted by the end of June, we would be at least two months short of final implementing regulations before the school year started in September.

Also, if this bill were enacted in June, it would leave this committee two weeks until May 15. To our knowledge there have been no hearings on the legislation in the Senate. We have not had an opportunity to testify and we are concerned about this.

There was comment made this morning that rewriting of the legislation is simply a very simple process, a matter of codification and simple rewrite.

Let's look at what we are doing here. We are abolishing the National School Lunch Act, we are abolishing the Child Nutrition Act of 1966, and in their place we are writing major new legislation which is going to affect millions of children throughout the Nation.

In my judgment this is a major undertaking, it requires much time, it requires careful research and evaluation. This is a very complex task and we simply must have a matter of many months with which to carry this out. As a practical matter, we do not even have final regulations for several parts of Public Law 95-166, enacted over six months ago.

Let me cite a specific example. In Public Law 95-166, section 5 of the Child Nutrition Act was amended to place emphasis on directing food service equipment assistance to schools which did not have the facilities to prepare or receive hot meals. This was an Administration proposal. As yet, we still do not have any final regulations to implement this new provision of law.

At this date, the Administration proposes to completely revise the existing law on equipment. The new bill would drastically revise the formula for apportionment of available funds and eliminates any priority in the use of funds by schools without facilities to prepare or serve hot meals. Instead, priority is to be given to "schools moving toward initiation of the service of breakfasts." We are not even sure what this phrase means in actual practical application.

My third reservation of concern is with the changes which this bill would make in the pattern of Federal-State administrative cooperation. Historically, the School Lunch Act has placed responsibility in the hands of the State educational agency for administration of the school lunch program. However, Title II of the new bill provides also for the appointment of an alternate agency appointed by the Governor in accordance with the applicable State law.

Further, the State plan for the operation of child nutrition programs is to be submitted by the Governor of the State rather than the State educational agency, as at present.

Mr. Chairman, the association has serious reservations about many other provisions of this very extensive bill, and there is not time enough to comment in detail. As examples, let me cite, first, the overly detailed requirements for State plans, so complicated and so complex that it would be virtually impossible to write them, and certainly to administer them; second, major revisions in present law on State administrative funds, and third, provisions of section 1404 (a) of the bill, dealing with injunctive relief against States which, in the judgment of the Secretary of Agriculture, fail to comply with the provisions of the new act.

We have gotten along without this type of administrative coercion in our school feeding programs for over 30 years, and I hope we will not resort to such action now. I cannot think of any situation within my experience where it would have added to the progress of this program. In fact, in my judgment, such strategies of coercion would be a serious deterrent to the national school lunch program.

I would like to conclude my testimony with some comments concerning the breakfast program mandate which is included under section 502(b) and (c) of this bill. My colleagues with me will address this matter in somewhat greater detail.

The ASFSA greatly favors an expanded breakfast program, and our members are hard at work at accomplishing this goal. In the two school years since 1975, when the breakfast program became a permanent program rather than a pilot program, we brought 7,100 schools into the breakfast program without the use of sanctions. The Administration estimates that even with the use of sanctions and injunctive relief that it proposes, its mandate would only bring in an additional 9,000 schools over the next two years. This kind of incremental increase in the growth rate of the breakfast program hardly seems to warrant the imposition of such coercive measures as the USDA now seeks. We believe much more could be gained through Federal-State cooperation and a sanctionless mandate that offered the States increased funding and administrative relief.

Therefore, we would support the Administration's proposed mandate without the sanctions in section 502(c)(1) and the injunctive relief provisions in section 1404. This must, however, leave room for schools which for good reason choose not to administer and operate a school breakfast program.

The department's mandate provides that any school with an enrollment of over 100 students and participating in the lunch program must participate in the breakfast program in the 1979-80 school year if over 50 percent of the students enrolled in the school lunch program qualify for free or reduced-price meals. All such schools would automatically qualify for an increased reimbursement rate as especially needy.

Mr. Chairman, all factors considered, I believe this year's legislation for the child nutrition programs should be limited to extension of the child care program, preserving Federal assistance for the paying children, and expanding the breakfast and WIC programs. My association would be more than happy to cooperate with this committee and USDA to bring about future legislation to consolidate the School Lunch and Child Nutrition Acts in order to strengthen and improve their nutritional benefits for all children, but we believe such a comprehensive effort will require extensive research, input from many people, and that is not possible at this late date in the year.

Thank you for this opportunity to provide testimony before your committee.

Chairman Perkins. Mrs. White, you have been very helpful to the committee. We certainly have read your testimony very closely. Naturally, I do not know how we are going to move but we have so many bills lining up that we have to move before May 15. We are going to work in the full committee all next week. We are going to have to legislate in this area, just how comprehensively I cannot tell you at this time.

Mr. Taylor, go ahead.

STATEMENT OF REDWOOD TAYLOR

Mr. TAYLOR. Mr. Chairman, I am Redwood Taylor, Director, Division of School Food Services, Kentucky Department of Education.

I appreciate the opportunity of coming before your committee today to discuss the breakfast provision as outlined in the Administration's Child Nutrition Assistance Act. From my vantage point of being a State director and working on a day-to-day basis with local school food authorities, I believe that my comments are shared by many of my constituents and, therefore, are worthy of your consideration.

I support the breakfast program, and in fact Kentucky has been a leader in expanding the breakfast program. Our record speaks for itself. I want to see the breakfast program continue to expand, but allow me to be perfectly candid and say right from the beginning that I am opposed to the expansion of the breakfast program based on sanctions, as outlined in the Administration's bill. I could even support a sanctionless mandate that said that every school which fit the Administration's proposed criteria should have a breakfast program.

I offer for your consideration the following comments concerning my position:

One, it would seem to me that USDA would be more concerned with implementing current laws rather than introducing new ones at this time. As you know, Public Law 95-166 was signed by the President on November 10 and we are still awaiting final regulations on several important parts of this bill—summer program, nutrition education and training, competitive foods, new meal pattern changes.

Two, this year in the State plan for the first time USDA has required a detailed outreach program aimed at schools not participating in the school breakfast program. It is my feeling that the States should be given the opportunity to implement their plans and have a year or two to measure results prior to being forced to implement another new law sponsored by USDA and aimed at breakfast program expansion.

Three, I note that the proposed legislation would exclude schools with enrollment of less than 100. I would like to point out that in many instances in consolidated districts with one high school serving the entire county, it would be more difficult for administrators to initiate a breakfast program in a larger school than it would be in a smaller school. Such a mandated breakfast program would, in fact, impact the total educational program of such districts for the following reasons:

(a) The entire county busing schedule would have to be arranged so that all schools with a 50 percent free or reduced-price eligibility would have their students at school in time to participate in the breakfast program.

(b) The length of the educational day for students countywide would thus be dictated by the busing schedule and contrived to meet the needs of a few schools in the district.

(c) In terms of targeting only those schools with a 50 percent or greater free or reduced-price eligibility for breakfast program expansion, USDA would be forcing the administrators to discriminate against the nonneedy child who may have just as great a nutritional need for breakfast as does the needy one. Such an instance makes me wonder if USDA is not, in fact, attempting to turn the child nutrition programs into a welfare program.

Four, I would like to point out another area where this expansion would be very difficult, if not nearly impossible, to administer from the State level; specifically, in the area of centralized or consolidated districts which submit claims and information to the State office on a centralized basis. As a result of this, schools lose their individual identity as to the number of free and reduced-price meals served, per-meal cost, per-school financial position, et cetera.

This area has been of concern to Kentucky in attempting to implement the especially needy breakfast criteria as it exists in the current legislation. The new proposed legislation will only compound this program further and will initiate more paperwork and more administrative headaches at the State level, as well as at the local level.

For the record, I might add that USDA's mandated full-cost accounting system served as the catalyst for most of the districts' centralizing. Although Kentucky and the other Southeast States have implemented the department's mandated full-cost accounting system, many States have not. Are we to believe that mandates are only enforced in certain areas of the United States?

Five, section 502(c)(1) of the proposed legislation is both a political and administrative nightmare as I understand it. This section of the proposed law states in part that:

"In the event that schools subject to the requirements of section B have not initiated the service of breakfast on a regular basis in the school food service program, the State shall withhold sufficient moneys from such school food authorities for meals served in the program in accordance with standards established by the Secretary, as are deemed reasonably necessary to encourage compliance with requirements of this action."

In my estimation, neither USDA nor State departments of education should be in the position of being both judge and jury to schools in dictating on one hand which programs they will have and, on the other hand, having the authority to withhold program funds earned legally in another program; for instance, the National School Lunch Program.

In summary, we in Kentucky are proud of our breakfast program participation and expansion. Currently 823 of the 1556, or 53 percent, of our schools participating in the lunch program are also in the breakfast program. Our preliminary data shows that approximately 90 schools—there is an unknown number of additional schools in centralized systems for which individual school data is not readily available—with a 50 percent free and reduced-price eligibility would be affected by this proposed legislation. We would rather make program information available to school administrators and parents and let them exercise their free choice concerning the program rather than have the Federal government mandate a breakfast program in all such identified schools.

For all of the above reasons, Mr. Chairman, I recommend that the mandated breakfast expansion position of the Administration bill not be recommended by the committee to be drafted into final form.

Thank you for the opportunity of testifying before such a distinguished group. I shall be glad to answer any questions which you may have.

Chairman Perkins. Thank you very much, Mr. Taylor.

[Information supplied for the record follows:]

COMMONWEALTH OF KENTUCKY
Department of Education
FRANKFORT 40601

MEMORANDUM

TO: Hon. Carl D. Perkins
Washington, D.C.

FROM: Redwood Taylor, Director R.T.
Division of School Food Services

SUBJECT: 1978 Summer Food Service Program

DATE: May 15, 1978

Attached is an estimated number of sites, ADA and funding for the 1978 Kentucky Summer Food Service Program for Children in the 7th Congressional District.

Hopefully, the State Agency will receive further requests for participation in the Program as a result of outreach efforts which have been made.

RT/PJ/jam

Attachment

	No. Sites	A.D.A	Reimbursement
Bath Co.			
Boyd Co.	1	112	10,315
Bracken Co.	1	25	38
Breathitt Co.	2	375	27,408
Carter Co.			
Elliott Co.			
Fleming Co.			
Floyd Co.	1	18	520
Johnson Co.			
Knott Co.			
Lawrence Co.			
Letcher Co.			
Lewis Co.	2	380	25,595
Magoffin Co.	4	60	1,733
Martin Co.			
Mason Co.	1	150	5,775
Menifee Co.	1	25	435
Montgomery Co.	1	80	2,480
Morgan Co.	1	25	625
Nicholas Co.	1	275	11,820
Perry Co.	2	223	10,515
Pike Co.	1	81	7,849
Powell Co.			
Robertson Co.			
Rowan Co.	1	250	6,250
Wolfe Co.			
TOTAL	20	2,079	111,358

Chairman **Perkins**. We will next hear from Mr. Cherry, Director of the School Food Services for the Archdiocese of Chicago.

STATEMENT OF ROBERT CHERRY

Mr. **Cherry**. Mr. Chairman, I am Robert Cherry, Food Service Director for the Archdiocese of Chicago.

I am pleased to be here today to express my concern and the concerns of my colleagues in the Catholic school system and in other dioceses about the breakfast program mandate with sanctions contained in the Administration bill.

The Archdiocese of Chicago is one of the six largest school systems in the country. We have 471 schools in the archdiocese with over 220,000 students. We serve approximately 40,000 type A lunches and 2,500 breakfasts daily. Participation in our schools offering the lunch program is over 60 percent. The Archdiocese of Chicago consists of both Cook and Lake Counties of Illinois. We serve a wide range of schools from inner city schools to rural schools.

Our elementary schools are all served prepackaged meals prepared and packaged in our three central commissaries. These meals are refrigerated overnight and heated at the schools before serving. Approximately one-half of our students eat their meals in the classrooms, as many of our school buildings are quite old and without cafeteria facilities.

The breakfast program was started two years ago as a pilot program in our school system. Fourteen schools participated in the first year and have been extremely happy with the program. We have vigorously promoted the breakfast program by our closed circuit television network, as well as personal calls and urging of the principals who are in the program. Today we serve only 16 schools a breakfast program.

It is my concern and that of the people operating these programs in the dioceses of Newark, New Jersey, Pittsburgh, Pennsylvania, Philadelphia, and Cincinnati, Ohio, that the mandate as proposed in the Administration bill will cause more schools to discontinue the lunch program than accept the breakfast program.

The Catholic school systems operate on the basis of shared decision-making, with the authority to initiate or discontinue programs resting solely with each individual school at their discretion. Their feelings are that the breakfast program is too costly to operate in addition to the lunch program and that we are assuming too much of the parents' responsibilities.

Chairman **Perkins**. If you do not mind, we will recess the committee for about 8 minutes to let me go vote.

Chairman **Perkins**. All right, Mr. Cherry.

Mr. **Cherry**. Thank you, Mr. Chairman.

As Food Service Director of our program which sponsors programs in 206 schools in our diocese, I strongly oppose the proposed sanctions and injunctive relief sections of the Administration's bill. We do not understand why sanctions should be applied to our programs when we have no authority to initiate or continue programs in any individual school in our systems.

We all strongly support the breakfast program, and I would personally like to see lunch and breakfast served in every one of our schools. However, the sanctions will, in the opinion of the directors of the dioceses listed before, cause more schools to discontinue all food service than convince them to add a breakfast program.

Chairman PERKINS. Does that conclude your testimony?

Mr. CHERRY. Yes, it does.

Chairman PERKINS. How far do you feel we should go in expanding this program? What is your view, Mrs. White?

Mrs. WHITE. In terms of expanding breakfast programs, we feel that the breakfast program is a very, very important part of the child nutrition programs.

We would like to see them available in all schools. The experience in my State is through Outreach we are increasing the breakfast program sponsors at the rate of 25 percent a year. Certainly breakfast programs are important, they are of high priority and we should actively work to increase in both participation and numbers of sponsors.

In the track record we mention we have been able nationwide to increase the numbers of schools in the program by 7100. We feel that is an encouraging start in the overall Outreach efforts and it should certainly be continued and expanded.

Chairman PERKINS. Did you want to comment, Mr. Taylor?

Mr. TAYLOR. Yes, I would. The Administration now has the power to expand through the State plan route. We are required to submit to USDA a State plan outlining our proposed way of expanding breakfast programs. They have the authority to hold up the approval of the State plan until we submit one that is to their liking, and have the authority to withhold funds on all programs until our State plan states what we will do. So they already have the instrumentality to force certain states into compliance.

Also, in their proposed bill they have proposed to combine breakfast funds with school lunch funds to ease the burden on local and State agencies from having to split out costs of an individual program. I do not know why they have not already done this. We are following their instructions now when we split funds. They have the authority to combine on our recordkeeping these funds now.

Chairman PERKINS. Mr. Cherry, you touched on a situation I did not clearly understand. I was not following your statement. You made a statement to the effect that if we mandated the breakfast program—did I understand you to say if we mandated it, it would interfere in some way with your school lunch program?

Mr. CHERRY. Yes, Mr. Chairman. We have been vigorously trying to expand our programs.

Chairman PERKINS. You mean your breakfast programs?

Mr. CHERRY. Yes, sir. We have one man who is on our staff whose job is to go out and sell the schools on the program. In the parochial system in order to put a program in a school we must go out and convince the principal, the pastor, the teachers, the local school board, and in many cases the PTA.

In talking with a number of our principals in trying to get them to go into the breakfast program, they have specifically said if they had to have a breakfast program they will simply drop all the feeding programs. They consider them a lot of work on their part and really a headache. They realize the children need it and they are taking part in the lunch program but they say one meal a day while they are at school they can understand but they feel that we are taking away the parent's responsibility and breaking up the family setting by taking more than one meal when the children are away from home.

Chairman **Perkins**. I can understand where children reside in the community it is the parent's responsibility, if they are able, to furnish those children with breakfast. But where those children are bused, I can also understand the fact that regardless of the income in the family, when you get a child out of bed before daylight to bus him, he feels ready to eat a few hours thereafter, if not before then.

So there are some facets in this thing that really should be worked out. It is going to take time to do it but if we put it together hastily, as we have in some of these bills, I am just wondering what could be the repercussions.

Mr. **Cherry**. In our situation most of our children are within walking distance of the schools and it is the same situation in the other large cities. The parochial schools really have just gotten started into feeding programs in any large sense within the last eight years, and this was at the urging of USDA. They knew we had a lot of children who should be receiving these meals. We are working toward that end.

A number of the large cities have just started feeding programs of any kind this school year, so we are working toward this, but in most cases the children are an average of two or three blocks from the school.

Chairman **Perkins**. Your breakfast and school lunch programs are in what percentage of schools?

Mr. **Cherry**. In the archdiocese of Chicago, approximately 50 percent of them have lunch programs.

Chairman **Perkins**. What percent of that same number of schools has a breakfast program?

Mr. **Cherry**. I do not have the percentage. It is very small. It is 16 schools out of 471.

Chairman **Perkins**. Which provision do you like the best, the Administration's bill or in the other bill pending before the committee?

Mr. **Cherry**. I think I would have trouble with both of them in implementing the program on a mandatory basis. I think that we eventually get to the point where they will accept this. We have instituted a new program to try to get more schools on the breakfast program by taking along a breakfast to a school and serving every child a breakfast on one day so the administration can see how really lttle work there is in adding a breakfast program to a lunch program.

Chairman **Perkins**. The true purpose of the breakfast program originally was for that child who would not eat breakfast at home when he was moved, and I am somewhat worried about mandating the breakfast program because no parent should be relieved of that responsibility when a child is at home, the school is only a short distance away and that parent is able to furnish that child breakfast.

We do not want to go overboard with something that is not well thought out, but I believe in giving every child in the country a free breakfast where there is really a need. I do not want to see anyone go hungry. That is another puzzling problem this committee is confronted with. We want to do the best we can to work out some equitable solution and the breakfast program needs to be expanded much more than it is presently. I know that. I see it down home. So many schools that should have a breakfast program do not have it. But to try to throw a lot of money at them one time in reimbursement money when they are not able to pick up the ball and carry it is what worries me. We should make sure we do it in a manageable way.

Are there any further comments, Mrs. White?

Mrs. WHITE. Only to say that we are looking at a program that has been permanent for just two years. There has been an encouraging track record of growth in those two years, in my judgment. There are many positive things that we can do possibly even through legislation in a very positive way to increase participation in the breakfast program because that certainly is one of our priorities.

I feel because of the time constraints that we have not had an opportunity to research all of these avenues and to really study the legislative potential of some of these. That is one of the reasons that we strongly feel that we need more time and look to next year's bill as being a possible way of handling some of these issues through legislation. We do not feel there is time to do that in this very short time period but we do strongly support expansion of the breakfast program.

Chairman PERKINS. You feel we need more time to work this thing out?

Mrs. WHITE. I really do, Mr. Chairman. I think we are making major changes in public policy, policy that is going to affect every State and literally millions of children. It must be a thoughtful process.

Chairman PERKINS. One time we made a change. It was two years before the department could even move on it. We acted hastily and in spite of what they say they can do, they do not perform as fast as they say they can. I have observed that over a period of years.

But we will do the very best we can possibly do in this thing to try to work out the best possible solution at this time.

I had felt that this program was so important that we ought to pull different groups in from every State in the Union next year and do this job not hurriedly, but do it in a way that would get the support behind it so we will not have the abandonment of the school lunch program or anything else. The programs are too valuable. We will do the very best we can to do the right thing. That is all I know to tell you at this time.

We thank you for your appearance here. You have been very helpful to us. From here on out it will be on our shoulders as we undertake to mark up the bill. Chances are we will mark up the bill Monday afternoon.

Mrs. WHITE. Thank you, Mr. Chairman.

Mr. CHERRY. Thank you, Mr. Chairman.

[Whereupon, at 1:45 p.m., the subcommittee adjourned.]

[Material submitted for inclusion in the record follows:]

THE CHILDREN'S FOUNDATION
1028 Connecticut Ave., N.W. Suite 1112
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(202) 296-4450

BARBARA BODE
President

May 8, 1978

WRITTEN TESTIMONY SUBMITTED BY

ANNE MEADOWS & MARGARET LORBER
SCHOOL FOOD ADVOCACY PROJECT
THE CHILDREN'S FOUNDATION, WASHINGTON, D.C.

RE: H.R. 11699

BEFORE THE

HOUSE SUB-COMMITTEE ON ELEMENTARY,
SECONDARY AND VOCATIONAL EDUCATION

(Hearings were held on Thursday, April 27, 1978)

The Children's Foundation monitors federal food assistance programs and works with community groups to ensure equitable implementation and extension of food aid to needy children and their families. The work of The Foundation is funded by the Community Services Administration and by private foundations such as The Ford Foundation, The Rockefeller Foundation, The Southern Education Foundation, The New World Foundation and the Child Welfare Foundation of the American Legion, among others.

Over the past year, The Children's Foundation has been conducting a 10 state study to document the barriers to implementation of the school breakfast program. The states we visited were Arizona, Connecticut, Maine, Massachusetts, Montana, Nebraska, Ohio, Oregon, South Carolina and Wisconsin. We interviewed 113 people in more than 25 cities and towns to determine whether or not there were any insurmountable obstacles to school breakfast and to learn how different school districts had solved the common problems involved in program implementation.

By talking with superintendents, school board members, school business officials, state and local school food services directors, cafeteria managers, principals, community workers, parents, and others we found that there are no insurmountable obstacles to school breakfast. Instead, we saw over and over in the states we visited that the only real barrier is in the minds of the decision-makers: their view of who is needy, their definition of what constitutes education and their fears that breakfast programs will destroy the family.

One principal in South Carolina spelled it out graphically. He told about having had a breakfast program for 2 years and experiencing supervision difficulties. Finally, he dropped the program. A year later when a state mandate forced him to reinstitute it, he figured out how to solve the problems. Now he says he wouldn't trade his breakfast program for anything and that the real problem with the program had been his own failure to recognize the obvious. As he put it: "The first time, I got rid of the program. This time, I got rid of the problems."

In many schools across the country children are better prepared for the education that is offered them because the administrators in their districts have had the wisdom, foresight, and compassion to make breakfast available at school for those who cannot eat it at home. However, in a great many school districts, administrators have failed to make the breakfast program available despite the obvious need for it. For instance, one superintendent we interviewed said his district would "continue to resist it as long as possible" because they didn't believe in school breakfast and didn't need it. And yet, a third of the children in his district were eligible for free and reduced-price school meals.

We, at The Children's Foundation, believe that school administrators have a responsibility to use every means at their disposal to protect and have to educate the whole child. Where district officials abdicate this responsibility, the Congress must step forward to ensure that every child is in the best position to take advantage of the education that we not only offer but in fact require, so basic is it to the social mobility that exemplifies our democratic way of life.

More than a decade has passed since the legislative inauguration of the school breakfast program and still fewer than a quarter of our schools provide this service. This fact together with our experiences organizing school breakfast campaigns and our 10 state survey convinces us that a national mandate is absolutely essential to the guarantee of an equal start for all school children.

NATIONAL CHILD NUTRITION PROJECT

46 Bayard Street • New Brunswick, N.J. 08901 • 201-846-1161

TESTIMONY FOR:

House Subcommittee on Elementary

Secondary and Vocational Education

April 27, 1978

PREPARED BY:

National Child Nutrition Project

46 Bayard Street

New Brunswick, New Jersey 08901

The National Child Nutrition Project (NCNP) is an advocate for the improvement and expansion of federal food programs. It provides technical assistance and training to several states and to Puerto Rico and the Virgin Islands.

For the past few years, NCNP has worked directly with sponsors and potential sponsors of the child care food program (CCFP) in New Jersey. My comments this morning are the result of that experience and will reflect the concerns of the state as related to one aspect of the CCFP: the eligibility of family day care homes.

New Jersey does not have state or local licensing of family day care homes and therefore, homes can only obtain approval to participate in the CCFP if they meet the Federal Interagency Day Care Requirements (FIDCR). Presently, there are less than five sponsors of the CCFP that administer family day care home systems. This level of participation does not indicate that home child care is not popular in our state. Quite the opposite is true. While the need for child care is steadily increasing, New Jersey has a painful lack of child care centers. Consequently, family homes has become and is now the most common form of child care. In addition, the state Division of Youth and Family Services (DYFS) places 2,000 children in an estimated 300-400 family homes; none of which, incidentally, participate in the CCFP.

For the majority of administrators of family day care home systems and their providers, compliance with FIDCR is the greatest deterrent to CCFP application. The requirements of FIDCR, are, in more cases than not, more demanding than their own requirements for a home to become part of their system and receive referrals. It can not automatically be assumed that these administrators are negligent in establishing comprehensive standards for child care. On the contrary, although some cases of this surely exist, it has been NCNP's experience in New Jersey that is the providers of quality day care that strive to improve their services by incorporating the CCFP. Included in this group are county-wide child care coordinating councils and established day care centers that seek to offer family day care as an alternative to the demand for center care.

Rather, it is the FIDCR requirements that are unrealistic. Designed in 1968 as a guide for child care primarily in centers, its compliance has discouraged the most conscientious and determined sponsors. The contents of the seventeen page document seem indeed remote from the scope of family day care.

Chiefly at fault is the extent of the support services required by FIDCR: educational, social and medical. The provision of these services is often not within the financial resources of sponsors and family homes whose revenues are limited to parental payments. A child care coordinating council in mid-New Jersey, itself limited by funding and staff, operates a family day care home system but does not have one home participating in the CCFP. Its difficulty lies in not having the staff time necessary to ensure that its homes meet the FIDCR requirements, and that all the supportive services are available.

The administrative responsibilities, staff training and program evaluation are three examples of requirements that must be satisfied, but are not adequately compensated for by the funds provided by the CCFP. Numerous community action agencies have contacted our office for assistance in becoming sponsors of the CCFP for family day care homes in their counties. After they received an explanation of their role and its respective responsibilities, all were sufficiently discouraged. There is not one community action agency participating as a sponsor. This is not the result of the administrative responsibilities in the CCFP regulations but rather the extra responsibilities required by FIDCR.

Child care centers, perhaps, by nature have centralized expenses and services, draw their operating funds from a more consistent and larger number of children, and are more accessible to funds from private and public sources and can adapt more readily to FIDCR. A child care center in Newark operates a system of family day care homes as an alternative to center care and each home did participate in the CCFP. However, when the funds from a private grant were exhausted the system faltered and its services are now severely curtailed.

Regardless of the examples of the difficulty that sponsors and providers have in compliance with FIDCR, exception must be taken to the selection of FIDCR as the criteria for eligibility of family day care homes in the CCFP. FIDCR is designed to establish child care and must therefore, address the total custody of the child: emotional, social, educational and medical. The CCFP, however, is a nutritional program for the provision of food service in child care situations. Standards of approval for program participation should be limited to food preparation and service and conditions related to basic health and sanitation.

The use of FIDCR as a criteria for participation in the CCFP is synonymous to an attempt to control the quality of child care provided. Consider the logic of the present conditions related to family day care homes and extend it to the other federal food programs. Should the curriculums of schools be evaluated to determine the quality of education provided before USDA will reimburse the service of a lunch or breakfast? To qualify for the food stamp program, should an agency ascertain the quality of the family's interpersonal relationships before certification can be approved? Should summer food program regulations govern the quality of activities provided at the food site and insist that support services be maintained that encompass the total child? All these are foolish situations. These programs, and the WIC program, are nutritional programs by design and intent and are there for the promotion of feeding children in a variety of circumstances. This logic must also be applied to CCFP or very few children indeed, will eat.

Further, the argument that these provisions for site eligibility of family homes are too lenient is without real substance. The recommended standards will not invite abuse or reinforce, in some manner, poor quality child care. Family day care homes must either meet the Secretary of Agriculture's guidelines, or they or their sponsors must be sufficiently credible to have been in receipt of federal, state or local governmental funds for program activities or have accepted referrals for placement of children from state or local agencies. This clearly implies previous evaluation of the sponsor and the operations of the family day care home system. This is adequate to ensure the control of the basic purview of the CCFP--that sites prepare and serve meals in a sanitary and healthful manner.

CCFP advocates are concerned about the quality of child care. We feel that providing children with nutritious meals is an integral part of quality child care, and the first step to upgrading this care. Too, the CCFP imposes a monitoring requirement which affords sponsors the opportunity to check their family day care homes on a regular basis. Without the CCFP there is either no or very infrequent monitoring of most of these homes.

We urge you in your Congressional deliberations of child nutrition programs to maintain the language in S2809. It will allow the participation of family day care homes in the CCFP, upgrade the quality of the meals served in the homes, and thereby enhance the quality of the care given. Under the present regulations, family day care homes will continue to be shut out of the CCFP and eligible children will continue to be denied their lawful benefits and their basic human right to food.

INTERRELIGIOUS TASKFORCE ON U.S. FOOD POLICY

110 MARYLAND AVENUE, N.E., WASHINGTON, D.C. 20002 202/543-2800

Statement for the Record by the
Interreligious Taskforce on US Food Policy
on the National Child Nutrition Act
submitted to the
Subcommittee on Elementary, Secondary and Vocational Education
Committee on Education and Labor
US House of Representatives
May 2, 1978

The Interreligious Taskforce on US Food Policy welcomes this opportunity to offer testimony on Child Nutrition legislation. The Taskforce is a team of Washington-based staff of national religious agencies. Organized in 1974, our existence reflects the widespread concern in the American religious community for the twin problems of hunger and poverty, domestic and international. Our existence also expresses the widespread conviction in the religious community that one way in which we are obligated by our religious faith to seek justice for the needy is through addressing public policy issues. Two dozen national Protestant, Roman Catholic, Jewish and ecumenical agencies support and cooperate in the work of the Taskforce, but the Taskforce speaks only for itself.

The persistence of hunger in a land of plenty and of poverty in the midst of affluence are morally intolerable. If it were not possible for our nation to make available to every one of its citizens a nutritionally adequate diet, or if it were not possible for us to eliminate poverty with all its tragic consequences, the moral situation would be quite different. But because our nation can eliminate both hunger and poverty, their persistence is a moral affront to all decent people and a judgment on us all.

Particularly intolerable to persons of moral sensitiyity and compassion is the fact that the greatest and most pernicious harm from poverty-related malnutrition falls upon those with the least power to help themselves--infants and children. For this reason, the Taskforce is particularly glad to have this opportunity to express strong support for improvements in three programs that directly affect the health and welfare of infants and children in low-income families: the Special Supplemental Food Program for Women, Infants and Children (WIC); the School Breakfast Program; and the Child Care Food Program.

THE TASKFORCE IS A TEAM OF WASHINGTON BASED STAFF OF NATIONAL RELIGIOUS AGENCIES. THESE BODIES OR THEIR PROGRAM BOARDS COOPERATE IN ITS WORK: AMERICAN BAPTIST CHURCHES, USA ● AMERICAN JEWISH COMMITTEE ● AMERICAN LUTHERAN CHURCH ● CHRISTIAN CHURCH (DISCIPLES OF CHRIST) ● CHURCH OF THE BRETHREN ● EPISCOPAL CHURCH ● FRIENDS COMMITTEE ON NATIONAL LEGISLATION ● JESUIT CONFERENCE ● LUTHERAN CHURCH IN AMERICA ● LUTHERAN CHURCH MISSOURI SYNOD ● MORAVIAN CHURCH IN AMERICA ● NATIONAL COUNCIL OF CHURCHES ● PRESBYTERIAN CHURCH IN THE US ● REFORMED CHURCH IN AMERICA ● UNION OF AMERICAN HEBREW CONGREGATIONS ● UNITARIAN UNIVERSALIST ASSOCIATION ● UNITARIAN UNIVERSALIST SERVICE COMMITTEE ● UNITED CHURCH OF CHRIST ● UNITED METHODIST CHURCH ● UNITED PRESBYTERIAN CHURCH IN THE USA ● BREAD FOR THE WORLD ● CENTER OF CONCERN ● NETWORK. THE TASKFORCE WHICH SPEAKS FOR ITSELF PROVIDES INFORMATION AND RECOMMENDATIONS ON U.S. FOOD POLICY TO ITS COOPERATING AGENCIES AND TO THE NATIONAL IMPACT NETWORK

George A. Chauncey Presbyterian Church in the US Chairman

FOR CURRENT INFORMATION CALL US TOLL FREE AT 800/424-7292 (WASHINGTON RESIDENTS CALL 543-2800)

The WIC Program

The WIC Program, which expires September 30, 1978, is designed to address certain health and nutritional needs of low-income pregnant or nursing women and of nutritionally vulnerable children up to age five. The program provides three benefits: (1) a monthly package of foods high in protein, iron, vitamins, and calcium; (2) periodic medical examinations; and (3) counseling in nutrition and good health practices.

Designed by Congress to be a preventative program, WIC has produced impressive results in decreasing anemia, incidences of low birth-weight, and other health deficiencies during the most critical phase in human development--gestation, infancy, and early childhood. As the Department of Agriculture (USDA) reported in recent testimony before the Appropriations Committee: "The successes of these programs may well be averting permanent, irreversible effects that would otherwise prevent children from reaching their full mental and physical potential."

Because the value of the program has been clearly demonstrated, our first recommendation is that the program be extended.

Helpful though the present program is, it needs certain improvements. Through wise legislative changes, a good program can be made even better. We advocate three such changes:

1. Women, infants, and children in families with income below 125% of the poverty level should automatically be eligible for WIC benefits, provided they enroll in an approved health care and nutrition education program.

Current eligibility requirements are unnecessarily complex. Present law and regulations limit eligibility in WIC to those who reside in approved neighborhoods, receive health care at an approved clinic, meet age and pregnancy status requirements, are eligible for free or reduced cost medical care, and are certified by professional staff as needing nutritional assistance. Because of the complexity of these regulations as well as because of inadequate funding, many needy persons do not participate in the program. The Taskforce maintains that at a certain level of poverty, nutritional risk can be assumed. A University of North Carolina study, for example, indicates that there is a high risk of nutritional inadequacy for pregnant and nursing women and their young children at income levels below 150% of the poverty level.

The Taskforce believes that the correlation between inadequate income and nutritional risk should be recognized in law and that eligibility requirements should be simplified accordingly. We propose that no certification of need other than low income be required of those with income below 125% of the poverty line. For needy women whose income is above 125% of the poverty line, a certification of need for nutritional assistance based on other factors, such as known inadequate nutritional patterns, anemia, or history of high-risk pregnancy, seems appropriate.

If the basic purpose of the WIC program is to prevent the occurrence of nutrition-related health problems, then all who suffer high risks of such problems should be eligible for the program and, through the simplicity of eligibility requirements, should be encouraged to participate in it. This seems imperative for humanitarian reasons; it also makes sense for financial reasons. An adequately funded and readily available WIC preventative health care program could well save millions of federal dollars in welfare and medical assistance programs by producing the physical and mental capacity for these children to develop into healthy, working, productive citizens.

2. National certification processes and other provisions should be established for migrant and seasonal workers to ensure their uninterrupted participation in WIC.

Eligible migrant and seasonal workers' families face particular complications with WIC because of their required mobility. As they move from one place to another they must repeat the certification procedures. If they move to an area not served by WIC, they lose the WIC benefits entirely for a season. We urge that the program be so revised that eligible migrant and seasonal workers can participate on an ongoing basis without regard to where their work takes them.

We are aware that USDA has just begun a pilot project to try and bring more migrant farmworker families into the WIC program. While the Taskforce is encouraged by this action, we believe that stronger legislative measures are needed to ensure that migrant and seasonal laborers have access to the program.

3. Adequate funding and outreach should be provided to allow participation by all who are eligible.

Where the program has been established, participants and health officials have been enthusiastic about its beneficial effects on the food consumption patterns and general health of the women and children it serves. However, low funding levels, poor outreach procedures, and the fact that the current law does not mandate establishment of WIC programs in all areas of need have kept participation rates low during the few years that WIC has been in existence. The Children's Foundation estimates that there are between 3.3 million and 3.6 million persons who are eligible for WIC; two-thirds of these are not participating. The USDA offers more conservative figures, because it counts as "eligible" only those now living in areas served by the WIC program. But even USDA acknowledges that 57% of those it regards as eligible are not participating in the program.

We have received reports on the local situation from members of the religious community in various parts of the country. We have been told, for example, that a major metropolitan health department is illegally removing postpartum women and four year old children from the program because it has a full case load and no additional case load funds are being awarded by the state. Others report that hospitals in their areas are prepared to sponsor WIC programs but cannot begin them because of a lack of start-up funds. A colleague in a Southern state reports that only 31 of the 67 counties in his state have WIC programs. The other 36 have applications on file with the State Health Department, but little hope of receiving assistance because of the inadequacy of funds. The WIC program should be so funded that everyone eligible can receive its benefits. We therefore recommend open-ended funding for the WIC program. Investments in preventative nutrition-related health care seem to us to be both morally imperative and fiscally sound.

The Congress appropriated for the current fiscal year $250 million for the WIC program. However, operating under a court-ordered reallocation procedure, the Department of Agriculture estimates that actual expenditures for fiscal year 1978 will be $388 million. In order to maintain current participation levels and to expand the program into new geographic areas, the Department is requesting $535.5 million for the program in its 1979 budget.

Increased funding is essential. There are simply too many people who needs the benefits of the program but are unable to receive them because of the inadequacy of current funding. In its 1977 Annual Report, the National Advisory Council on Maternal, Infant and Fetal Nutrition declared that "it is not possible to implement an effective WIC program without significantly increased or entitlement funding."

H.R. 11699, introduced by Representative Perkins, does not authorize open-ended funding until FY 1981. However, it does authorize interim funding of $650 million for FY 1979 and $850 million for FY 1980. If open-ended funding is not possible immediately, we endorse the increased levels for FY 79 and FY 80 authorized in H.R. 11699. Furthermore, because the other reforms we advocate are incorporated in H.R. 11699, we recommend the adoption of this bill.

We would make only two additional suggestions for improving the WIC program for low-income women who are, or are considering, breast-feeding their infants. The Taskforce would like to see USDA design a supplemental WIC food package that includes additional foods, such as fresh fruits and vegetables, to meet the special nutritional needs of nursing women. Also, we hope that in the future the program will give more attention to advising pregnant women of the pros and cons of both breast-feeding and bottle-feeding, so that a woman can make an informed decision in choosing a feeding method for her baby. We hope that the Committee will take these suggestions into consideration when it directs the Department to implement new WIC legislation.

The School Breakfast Program

The School Breakfast Program was authorized as a pilot project in 1966. Three years ago Congress made it a permanent national program.

The clear intent of Congress in the Child Nutrition Act of 1975 was to make the program "available in all schools where it is needed to provide adequate nutrition for all children in attendance." The need for a national program was clearly demonstrated by numerous studies. For example:

> --An Iowa Medical College study, originally published in 1962 and reprinted in 1976 found that children who had an adequate breakfast worked better in the late morning, had quicker reactions, and did not tire as easily as those who did not eat breakfast.
>
> --A General Accounting Office report of July 1977 (National School Lunch Program, Is It Working?) asserts that "studies show that school lunch *when paired with a nutritional supplement or with school breakfast* (italics theirs) can affect nutritional levels of school children." The report concluded that school lunch by itself may or may not increase nutritional levels.

Last year the School Lunch Program provided a free or reduced price noon-time meal to over 10 million children, but only 2 million children received a free or reduced price breakfast. We conclude that some eight million needy children would have benefited from a breakfast of juice or fruit, milk, cereal, or other grain or protein product had it been available to them.

Despite demonstrated need and the clear hope of Congress in 1975 that the School Breakfast Program would rapidly expand, many school districts with large numbers of needy children do not offer breakfast. The reasons they give are numerous: the program is too costly; teachers, custodians, and food service personnel do not want to do the extra work; scheduling is too difficult; facilities are inadequate: the food is not very nutritious anyway; etc.

We feel that all of these objections can be answered, and in fact, have been answered in creative ways in many school districts that provide the breakfast program. In some schools, for example, parents and children have been involved in menu planning and have been able to offer nutritious foods which children will eat. In other schools, breakfast is served in the classroom at mid-morning, enhancing the opportunity for nutrition education as well as nourishment. Many schools, have found that often much less work and fewer people are required to serve breakfast than they had originally thought. Where there is a will to meet the nutritional needs of children, a way can be found.

Nevertheless, three years of experience have demonstrated that allowing schools to start the program voluntarily has not worked. A recent study shows that of 42,000 Title I "especially needy" schools, only slightly more than 10,000 provide the School Breakfast Program; and that of over 38,000 schools with 25% free or reduced price lunch eligibility, less than 15,000 provide breakfast.

The Taskforce recommends that the School Breakfast Program legislation be so amended that the breakfast program is required in schools where (a) 100 or more children or (b) 25% of the students are eligible for free or reduced price lunch.

Moreover, as incentives for schools to participate in both the breakfast and lunch programs, the Taskforce recommends (1) that schools be allowed to apply for reimbursement for both breakfast and lunch in the same accounting, and (2) that advanced funding be provided to make it easier for schools to set up the breakfast program.

Because H.R. 11699 incorporates these reforms we recommend its adoption.

The Child Care Food Program

The Child Care Food Program provides nutritious meals for needy children in licensed child care agencies. Under the program, the Department of Agriculture provides cash reimbursements or donates commodities to the qualified, non-profit, licensed child care agencies which serve the meals.

The Taskforce recommends the continuation and revision of the Child Care Food Program because it enables needy children to receive nutritious meals. We bring to your attention the need for simplification of the recordkeeping procedure and the need for substantial reduction in paper work in order to facilitate fuller participation and program benefits to eligible sponsors.

We also call to your attention the need for revision in the licensing procedures in order to provide food for all needy children. Under current legislation thousands of otherwise eligible institutions are not approved because their States do not have an adequate licensing mechanism. Many states do not license these otherwise eligible child care agencies because (1) funds for licensing have not been approved at the State level, (2) the state has a backlog of up to a year, or (3) in some states, centers with less than a certain number of children are not eligible for licensing.

We further recommend that a federal requirement for state outreach and for outreach coordination be established in the Child Care Food Program.

Because S. 2809, introduced by Senator Dole, incorporates these reforms we recommend its adoption.

Conclusion

Both the quality and quantity of food provided to our children through the various government programs should be increased to the extent necessary to assure good nutrition for all. Our children are a precious resource. They deserve carefully developed and wisely administered nutrition programs. Such programs are also in the national interest. Malnutrition not only stunts the physical, mental, and emotional growth of individual children, it also prevents the full use of the productive capacity of our nation.

Ronald A. Sarno, Chairperson
New Jersey WIC Advocates
703 Main Street
Paterson, New Jersey 07503
April 27, 1978

Mr. Carl D. Perkins, Chairman
Congress of the United States
House of Representatives
Committee on Education and Labor
Subcommittee on Elementary, Secondary
and Vocational Education
Room 2252 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Perkins:

The New Jersey WIC Advocates would like to submit written comments on the WIC section of the Children Nutrition Advocates Bill HR11259. In general, the New Jersey WIC Advocates believe that this Bill is a substantial improvement over the present legislation and will serve the needs of indigent, malnourished pregnant and lactating women, infant and children in the State of New Jersey as well as in the other states of the United States.

We would include the following comments on specific points in the current Advocates bill.
1. The increase funding level is absolutely essential for the improvement of services. At the present time in the state of New Jersey only between 25% - 33% of the eligible people are in the Program. A funding level which increases over a four year authorization period would make a substantial inroad into the target population and help to increase benefits for all concerned. The WIC Advocates feel that it is vitally important that the administrative budget allocation be separated from percentage of redeemed food so that each local and state agency will be able to operate a WIC Program more efficiently.
2. There are some people who urge that any potential clients who are under 125% of the present established guidelines for poverty income would be automatically eligible for WIC benefits. It is the viewpoint of the WIC Advocates that a nutritional assessment and a health care component are essential to the WIC Program. If such dietary and health assessments are not required,WIC would not be the program intended by Congressional legislation, but would rather become another food welfare program with fewer of the controls needed to render quality care.
3. There has been some discussion of the cut-off age for children receiving WIC food instruments. The current legislation calls for termination at the age of five. Some proponents, especially the current USDA administration,appear to be urging the cut-off at the age of three. It is the WIC Advocates contention that the cut-off age should be either 1) when the child reaches sufficient health to no longer need the benefits of the Program 2)when the financial situation in the family improves to such an extent that the child no longer needs the Program or 3) when the child does

not require the WIC program because there is a school lunch and/or school breakfast program to substitute. No child should be deprived of WIC benefits solely because of age. There should be some contradictory evidence that the child is receiving proper food, either in the home environment or in the school environment, before the WIC benefits for the child are terminated. Any child who is not enrolled in a school lunch program and still needs the food supplement should be permitted to stay on WIC.

Thank you for the opportunity for sharing the viewpoints of the New Jersey WIC Advocates which represent the seventeen local WIC Programs in New JerSey and the 22,000 participants in our Garden State.

Sincerely yours,

Ronald A. Sarno

Ronald A. Sarno, Chairperson
New Jersey WIC Advocates

CC Children's Foundation ✓
National Child Nutrition Project ✓
State Nutrition Resources Project ✓

North Country Children's Clinic, Inc.
32 THE ARCADE
WATERTOWN, N. Y. 13601
CENTRAL OFFICE: 315-782-6400

May 5, 1978

Representative Carl Perkins
Chairman, House Committee on
Education and Labor
2181 Russell House Office Building
Washington, DC 20025

Dear Mr. Perkins:

Enclosed please find the report and recommendations from the WIC Program of the North Country Children's Clinic. It is our hope that this testimony will be included in the House hearing record.

If we can answer any questions, please do not hesitate to contact us.

Sincerely,

Sherry M. Wilson

Sherry M. Wilson
Assistant Director,
Four County WIC Coordinator

SMW/srt
enc. 1

Report and Recommendations
From the W.I.C. Program of

NORTH COUNTRY CHILDREN'S CLINIC, INC.

Testimony Prepared for the

HOUSE COMMITTEE ON EDUCATION AND LABOR

Prepared by the Clinic and WIC Staff
of North Country Children's Clinic,
32 the Arcade
Watertown, New York 13601

Richard E. Charles
Executive Director

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Assistant Director,
North Country Children's Clinic, Inc.

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North Country Children's Clinic, Inc.
32 THE ARCADE
WATERTOWN, N. Y. 13601

CENTRAL OFFICE: 315-782-6400

TESTIMONY OF GEORGE S. STURTZ, M.D., M.S.(PED)
MEDICAL DIRECTOR, NORTH COUNTRY CHILDREN'S CLINIC, INC.
VICE-CHAIRMAN, AMERICAN ACADEMY OF PEDIATRICS, UPSTATE, N.Y.

The North Country Children's Clinic, Inc. (N.C.C.C.) has a caseload of 1400 nutritionally-at-risk persons. Our work extends over four counties in upstate New York, on the United States - Canadian border. It is approximately 200 miles from one end of the area to the other. Sparse population, great area, and heavy snowfall makes our work difficult. Although most of our population is Caucasian, we do have 3,000 American Indians, mostly residing in proximity to the Canadian border.

I believe that it is very difficult to show significant, scientifically valid changes in the nutritional status of persons in our WIC Program. The reasons are:

1.) The numbers of children - matched for age and sex - at any given time, are too small.
2.) No money is provided for setting up a PROSPECTIVE statistical analysis.
3.) No money is provided for establishing, following, and evaluating a control group.
4.) The wide variability of normal growth and development noted in a culturally and ethnically heterogeneous population, such as the United States, makes analysis difficult.

It has been a guiding principle of N.C.C.C. that we had an obligation to feed the hungry. The obligation seems more pressing and more haunting when one stands in one of our clinics, silently comparing our patients with their over-nourished, middle-class neighbors. We believe it is a right that every American child has an adequate diet. Thus, we live very easily with this program. Medical common sense tells us that our patients will probably grow better, will have fewer infections, and will function better in school.

We believe the N.C.C.C. has created a useful model for integrating nutrition with well-child screening and CHANGES IN LIFESTYLE. It is our aim to teach good health. We combine a good diet with adequate health care, immunizations, family planning, preventive dentistry, and nutritional education. WIC is one factor that attracts families to N.C.C.C.. We then attempt to change our patients' attitudes about health and nutrition.

(Cont'd on page 2)

When a parent registers a child in our clinics, we enter him in our system of health screening which includes:

1.) Complete physical examinations by a nurse pediatrician at ages two, four, six, nine, twelve, and eighteen months; and two, three four, and five years.
2.) Lab tests for hemoglobin and urine at ages one, two, three, four, and five years.
3.) Tuberculosis testing at age nine months and at five years.
4.) Immunizations as recommended by the American Academy of Pediatrics.
5.) Hearing and vision screening at ages four and five years.
6.) Preventive dentistry - fluoride supplementation from birth.

We also attempt to alter the lifestyle of our patients' families through these techniques:

1.) Nutrition teaching and counseling, including budgeting.
2.) Family planning.
3.) Family counseling.
4.) Health education.
5.) Parenting education.
6.) Developmental evaluation and referral.

The general concept of screening clinics seems to be out of style with "health planners" at the present time. It is believed that complete, on-going primary health care should be performed in one place, under one roof, by one professional group.

We offer an alternative. First, we believe our concept of screening large groups of poor, pre-school children is a valid one. It is far cheaper for a nurse, than a doctor, to screen. Doctors have little place in the day-to-day work of our clinics. The nurse is charged with identifying "normal". Anything that is questionable is referred to a physician for his evaluation and treatment. At the time of referral, our responsibility to the patient ceases. We screen - WE DO NOT DIAGNOSE OR TREAT, but we free the health system of the expense and the doctor of the time to examine. Roughly ONE OUT OF TEN CHILDREN NEEDS PHYSICIAN EVALUATION.

Second, nutrition education, in our opinion, should not be carried out without well-child services. Nutrition is not a high priority item with the poor. It seems that combining well-child screening with nutrition is an optimal solution, since health and nutrition are firmly interwoven with one another. For example, we are presently recommencing that mothers breast feed their babies for one year. We also recommend that solid food should not be introduced until six months of age. We teach parents that over-nourished babies may not be as healthy as average-weight babies. These goals have been formulated by the Committee on Nutrition of The American Academy of Pediatrics. They illustrate the relationship of nutrition in childhood health. (See Appendix A-1/A-2, and Appendix B-1, B-2).

(Cont'd on page [illegible])

Third, nutrition education, in our opinion, should not be carried out without lifestyle services at the Clinic. When a group of patients and parents come to our clinics, we believe we have a duty to offer them family planning through Planned Parenthood, to offer them preventive dentistry through fluoride in the vitamins, and to offer them instruction in parenting. N.C.C.C. did a study with Planned Parenthood on the new mothers registering children in our clinics in Jefferson County. The study encompassed one calendar year. We found that approximately 25% of these women did not want more children at that time but were not using contraceptives. The study showed that we were able to find mothers who were living outside the health system and needed family planning advice. The presence of Planned Parenthood at every clinic helped fill this void in health services.

We believe that nutrition education is interwoven with altering lifestyle. We want to teach people how to set a table, how to budget their food money, how to keep their children and their house clean. We have the idea that these things give them a sense of pride and deep personal satisfaction. Many poor women do not know how to handle these simple tasks because they were inadequately mothered, and maybe even abused, themselves. Inadequate mothering is a major factor in poor pediatric nutrition. There is a broad interface between nutrition, health, lifestyle, and parenting. A proper nutritional program in our view is one where the patients know we are STRONG ADVOCATES for them and their children. They know we will help them when they have a need.

Fourth, we believe that transportation is essential to a good nutrition program. It is impossible to transport a mother one day for a nutrition program, the next day for family planning, the next day for well-baby care, and the next day for developmental screening. As a country doctor, I have the feeling that good public health medicine requires one to provide ALL KINDS OF HEALTH AND LIFESTYLE SERVICES at one site and on one day. This requires that a coalition of agencies work together. Not only is this technique effective, it is also INEXPENSIVE.

Fifth, we have some evidence that providing many services at one site is effective. We know that our patients are the ones least likely to comply with nutrition or health advice. We also know that people receiving Medicaid help are the ones who frequently miss doctor's appointments and miss getting immunizations for their children. Our data suggests that we are changing that situation. The data in Appendix C-2 supports our viewpoint. Our reasoning may be post hoc ergo procter hoc, but I should support it by mentioning that we cannot afford detailed statistical analyses.

(Cont'd on page 4)

America is a broad and varied land. Yet, one wonders if our rural program might not be a health model worth exploring in some urban settings.

I have tried to describe a nutritional program geared to the rural poor of the North Country of New York. Its broad acceptance by our patients has been encouraging.

Respectfully submitted,

GSS:pw

George S. Sturtz, M.D., M.S.(PeD)
Medical Director

INTRODUCTION:

It is apparent to medical personnel that the improvements in maternal and child health care are directly related to the opportunity to participate in preventive health care and the opportunity to add specific nutritions foods to the regular diet.

According to Dr. David Paige of Johns Hopkins School of Public Health,

> "The need for integrating a feeding program for high risk populations into health care delivery programs is obvious. The intention of the origional WIC legislation was to expand the concept of preventive health care to include the maintenance of an optimal level of nutritional support for the target population. This represents both an opportunity and a challenge for health care providers to identify those individuals within a community most in need of health care services Having so identified individuals at risk, the provision of specific WIC food would either maintain the health of the recipient or remedy problems already existent."

The North Country Children's Clinic is an agency providing preventive health services to low income families in the rural North Country of New York The four county operation spans an area the size of the state of Delaware. One of the many services provided has been the WIC Supplemental Feeding Program.

The integration of WIC with family services has effected positive changes in families' lives through ongoing attachment to the system of health care, contact with services of other agencies, and through better nutrition.

Present legislation allows WIC to serve only a percent of those at risk. Many of our older children are at risk and, due to caseload limitiations, are not being served. The practice of serving the high priority infants and the unborn child first prevents service delivery to many of our four and five year olds who are in need. Some day we hope we can guarantee that four and five year olds will no longer be at nutritional risk because the program will have sufficient resources to go around.

Some of the things we've learned from WIC are:

- The WIC Supplemental Food Program has introduced many rural families to nutritional education.
- Changes in dietary habits and an introduction into the preventive health care system are valuable outgrowths of the delivery of supplemental food.
- Waiting lists of eligible people number as many as 1500, and indicate a vast unmet need.
- The improvements apparent in the lives of persons who have been receiving WIC benefits are many.
- The cost savings alone realized by effective preventive measures such as WIC allows, could provide more persons preventive health care and supplemental food.

In order that North Country Children's Clinic be allowed to provide all mandated parts of WIC, additional administrative and program funds are necessary. It is essential to the continued success of WIC that resource allocation be based on a program by program evaluation. Considerations must be made for individual programs whose geographic areas and other circumstances vary their programming costs from an artifical average.

Rural WIC Programs cost more to operate then their urban counterfacts. If WIC benefits are to continue to be available to rural children, these legitimate costs of operation must be recognized and met.

Submitted by Janice L Charles

Janice L. Charles, RN
Assistant Director for Health Coord.
North Country Children's Clinic

Sherry M Wilson

Sherry M. Wilson, RN
Assistant Director for WIC Coord.
North Country Children's Clinic

We present the following recommendations to the Committee for its consideration:

RECOMMENDATION I

That the maximum age limit be continued at age 5 years.

RECOMMENDATION II

That the program be expanded nationwide so that more of those persons in need may recieve WIC Program benefits.

RECOMMENDATION III

That the administrative budget of individual WIC Programs be developed on a program by program evaluation.

In support of these recommendations we offer the following information.

RECOMMENDATION I.

From Section 17 ofthe Child Nutrition Act of 1966,

> "The Congress finds that substantial numbers of pregnant women, infants and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition or health care or both. It is, therefore, the purpose of the program authorized by this section to provide supplemental nutritious food as an adjunct to good health care during such critical times of growth and development in order to prevent the occurrence of health problems."

Because we believe the WIC Supplemental Porgram is a preventive program as well as a remedial program, its benefits must focus on those persons who are at critical stages of growth and development. According to an Administrative Overview prepared by David M. Paige, MD, MPH, and Marianne Kreitner, MAT from the Department of Maternal Child Health, Johns Hopkins University, School of Public Health,

> "Providers of the WIC food packages should resist the temptation even in those situations where administratively desirable, to disengage the food package from other health care services. Immunization services and formula are both critical to the well being of the infant; diagnostic and therapeutic prenatal services are as essential as milk and eggs to the pregnant women; auditory and visual screening of the toddler is equally important as cereal and juice. Integrating provision of health services with provision of food should result in excellent growth and development of the fetus, infant, and toddler. To isolate these two essential components is to move the concept of preventive health care services backward."

Available data has indicated that only a maximum of 10% of of the country's low income children receive nutritional benefits through their attendance at Headstart or Day Care Programs. Many children are left who are at nutritional risk and have no source other than WIC for their necessary food supplements.

Nutrition education, a mandated part of WIC, provides education for mothers and their children. Children in the 3-5 year old age bracket are often candidates to be "carbo-holics" (excessive consumers of sugar and other carbohydrates), and are often erratic eaters because of their decellerating rate of growth and dysfunctional eating patterns.

According to Dr. Julius B. Richmond, Surgeon General,

> "Studies indicate that poor nutrition during early childhood has an effect on the mental functioning of the child."

Parents of these children often have not had the background to realize the difficulties their eating habits cause.

WIC children are recieving well child care, immunizations, and diagnosis of congenital problems much earlier in their lives. Families who are brought by WIC into the on-going medical care system are more closely meeting the schedule of well child visits and immunizations recommended by the American Acadmey of Pediatrics -- not just meeting the individual state requirements for entering school at age 5

Immunization data shows that the percentage of children who were completely immunized at admission to school since the inception of the WIC program in our four counties has increased. (See Appendix C-2)

RECOMMENDATION II

The WIC Supplemental Feeding Program has provided many rural New York families with nutritional eduction, changes in dietary habits, and an introduction into the preventive health care system along with their supplemental foods.

The need for an expanded WIC Program is obvious from nationwide documentation of need. North Country Children's Clinic's WIC Program has a waiting list that numbers as high as its current caseload of 1410. The four county area served by the WIC Program has a population of 260,000 people, which suffers from a high rate of teenage pregnancy, a lack of adequate health and social services, and a high unemployment rate.

The problems relating to inadequacies in health and family services and the high number of persons unemployed which were alleviated or lessened by the assistance of the WIC Program might be demonstrated by the following case histories.

CASE I

White female infant born 1/3/76. Birthweight 5#11 oz. Six weeks premature with omphalocele (intestines on outside of the body). Six months post surgery, child was discharged from Upstate Medical Center on expensive nutramigen formula. Parents were unable to a) afford special formula, or b) pay $7,000 hospital bill.

With the assistance and support of the WIC staff, the family was able to obtain medicaid.

Mother was and is very interested in nutrition education and takes every opportunity to obtain nutrition counseling. She has also been very interested and excited in the positive changes in her child's anthrometric measurements.

Anthrometric and Blood Work Findings

Age	Weight	Height	Hemoglobin
Birth	5#11oz.		
2 days post surgery	3#		
6 Mos.	12#½oz.	24½ in. (below 5 %tile)	
15 Mos.	17#	27½ in. " "	12 gms.
18 Mos.	19#3/4 oz.	28 In.	11 gms. (was dropped from pgm. then reinstated)
20 Mos.	19# 14½ oz.	31 In. (Wt @5% Ht @10%)	13.5 gms.
23 Mos.	Wt. @ 5% Ht. @ 10%		14.5 gms.

CASE II

Out of wedlock child admitted to WIC Program 4/3/75 age 9 Mos.

Mother: white, excessively involved in drugs, especially during pregnancy; left family after 1 year post admission to WIC.

Father: black, history of school disciplinary problems, multiple family problems; local police and prison record, only agency contact for 1 year post admission was one WIC staff person.

Childs Health Record and Dietary Intake

At time of WIC Admission-no medical follow-up, except emergency room visits, no immunizations, hemoglobin of 9 mos., diet of coffee, beer, ocassional meal.

One year post admission: Father consented to attend well child clinics, accepted unconstructed dietary counseling as father refused to participate in groups

Two year 3 Mos after admission: WIC staff contacted father for consent to enroll child in Headstart Program.

Two year 6 Mos after admission: Immunizations and physical examinations current for age. Hemoglobin 13 gms. Dietary patterns acceptable for age. Socially adjusted and above intelligence for age.

Three years after admission: Discharged from WIC due to insufficient caseload.

CASE III

Native American male age three years.

Family/Social History:

10 siblings, Mother-homemaker, Father-Laborer, seasonal worker

Sources of income include unemployment insurance, public assistance.

Received Medicaid

Admitted to WIC Program 1976 with a hemotocrit of 28%
1978 hematocrit of 36%

Attends well child clinics, immunizations and physical examinations now current for age.

CASE IV.

Native American male age 2½ years admitted to WIC program at age 8 months.

Family History: parents separated, two other siblings

Health History: frequent hospitalization for upper respiratory infections. Hematocrit on admission 30%, currently 34-36%.

Attends well child clinics regularly. Physical examinations and immunizations current.

Mother states that the WIC Program has been of great assistance to her and her family. The food, she says, has been of great help, and the contact with the staff has meant a great deal to her.

CASE V

Thirty one year old white female
Expected date of confinement 4/26/78
First child born 10/29/76, admitted to WIC Program 1/10/76.
Husband: epileptic, disease usually controlled with medication, alcoholic.

Medical History & Dietary History: Under physicians care for myasthenia gravis (disorder of neuromuscular transmission to the voluntary muscles of the body). Ramifications include extreme muscular weakness, speech weakness, and choking or aspiration of food. Bedridden. As of the 36th week of pregnancy the physician believes she will have a safe delivery.

On a high protien diet, including cheese, milk and eggs only due to intolerance of meat.

RECOMMENDATION III.

The administrative budget allowance for a rural WIC Program, such as the North Country Children's Clinic's, does not allow enough funds to cover the program costs necessary to operate an effective program. The 17.5% of food allotment would cover only minimal administrative costs, while the funds necessary for program related expenses are sadly lacking.

The program costs include the personnel necessary to operate the program technically, to do the medical evaluations required, perform the actual voucher distribution and counseling of clients, and provide for home visits and other related client contact.

Our budget shows that the above outlined administrative costs would average about 14$ of actual food costs, while the program cost would be about 15%. These estimates do not include the in-kind services value that all WIC clients receive. Our program which presently serves 1410, could provide WIC services to an additional 500 clients utilizing the same number of staff persons. In this manner the allowance for administration costs and program costs would be within 19% of food costs.

The costs of operating a rural WIC Program are higher than those of a smaller geographic area urban program. Programs encompassing an area as large as ours need more funds for travel expenses. Some of our clinics are as far as 135 miles from the central office. The costs in mileage for staff to travel this distance alone increases our cost by several thousand dollars over those of an urban program.

Also directly related to the size of the area served and its widely dispersed population is the expense of providing telephone contact. Telephone service must be maintained both for the client to contact the county office, and from the county office to the central office site. Only two of the 18 clinics are within local calling areas of the central office.

In order to maintain a central distribution point for WIC clients and staff, an office must be in existance in each of the four counties. This involves additional expense of rent for four offices.

A multi-county rural program such as North Country Children's Clinic is able to provide services at a lesser amount of administrative dollars than would be the case if each individual county had their own separate program. Shared staffing and a close relationship with county Community Action Agencies helps to support the four county program.

In order that North Country Children's Clinic continue to provide all services that are a mandated part of the WIC Program, additional administrative and program funds are necessary. It is essential that these funds be provided to meet the necessary and irreducable costs of operating a successful WIC Program in a large rural area.

If administrative cost allowances were determined on a flexible basis for each program, taking the size of caseload, geographic area to be served, and other pertinent variables into consideration, it is conceivable that the overall percent of administrative budget allocation could remain the same, but be redistributed according to local program needs.

CONCLUSION:

Legislative changes are needed so that more families in need can benefit from these services. It is our hope that the testimony presented here will lead to an expanded WIC Program nationally, and especially for rural communities. It is our hope that legislation will preserve WIC as a preventive and remedial program so that we may strive to serve all who are at nutritional risk.

APPENDIX A-1

North Country Children's Clinic, Inc.
32 THE ARCADE
WATERTOWN, N. Y. 13601

CENTRAL OFFICE: 315-782-6400

GEORGE S. STURTZ, M. D.
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MICHAEL H. ANTHONY, M. D.

DOCTORS PARK
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WATERTOWN, N. Y. 13601

OFFICE HOURS
(By Appointment Only)
Mon. - Fri. – 8 to 5
Saturday – 8 to 12

TELEPHONE
782-4391
782-6300

INSTRUCTIONS

IMMUNIZATION SCHEDULE

1 month – Examination
2 months – DPT (diphtheria-pertussis-tetanus) oral polio
3 months – Examination
4 months – DPT - oral polio
6 months – DPT - oral polio
9 months – Test for tuberculosis
12 months – Examination
15 months – MMR (measles-mumps-rubella)
18 months – DPT - oral polio
2 years – Exam
3 years – Exam
4 years – Exam
5 years – DPT - oral polio
Test for tuberculosis
12 years – DT - oral polio

APPENDIX A-2

INFANT FEEDING SCHEDULE

AGE MONTHS	SOLID FOODS	MILK
1 2 3 4 5	NO SOLID FOOD	BREAST MILK OR COMMERCIAL IRON – FORTIFIED FORMULA
6	RICE CEREAL	
7	CARROTS	
	SQUASH	
	BEANS	
	PEAS	
8	APPLESAUCE	
	PEARS	
	PEACHES	
	ANY OF ABOVE	
9	BEEF	
	CHICKEN	
	LAMB	
	BEEF OR LAMB	
10	COTTAGE CHEESE, TOAST	
11	EGG	
12		
AFTER ONE YEAR	TABLE FOOD	COW MILK – 1 - 1½ pints per day

The above feeding schedule has been suggested by the American Academy of Pediatrics. You may not wish to follow it exactly; it should serve as a guide. Rice cereal is the first solid food introduced, it is given for a month. Vegetables are then started; introduce each one by itself for one full week. This allows you to identify the foods which do not agree with your baby. Next, fruits are introduced individually for one week. Finally, meats are added. At age 10 months, finger foods, such as cottage cheese or toast, are introduced. At age 11 months, egg can be introduced. Fruit juices may be introduced at any time after age 6 months if tolerated.

VITAMINS – Breastfed babies should be started on vitamins at age one month. Formula-fed babies DO NOT need added vitamins; their commercial formula, such as Enfamil, Similac, or SMA, contain the necessary vitamins. When the infant switches from commercial formula to cow milk at age one year, vitamins should be introduced.

FLOURIDE – Flouride hardens the teeth and thus prevents cavities. Breastfed babies receive their flouride in their vitamins. Formula-fed babies should take flouride drops if their drinking water does not contain flouride.

DOSE OF ASPIRIN AND BUTISOL FOR FEVER OR IRRITABILITY

SIZE By Weight of Child	BABY ASPIRIN TABLETS (1¼ Gr.)	BUTISOL (Green Sedative Liquid)	TIME
Infant (under 10 lbs.)	½ Tablet	¼ Teaspoonful	Every 4 Hours
10 lbs. to 15 lbs.	1 Tablet	1/3 Teaspoonful	Every 4 Hours
20 Pounds	2 Tablets	½ Teaspoonful	Every 4 Hours
30 Pounds	3 Tablets	½ Teaspoonful	Every 4 Hours
40 Pounds	4 Tablets (Or 1 Adult Tablet)	1 Teaspoonful	Every 4 Hours
40 - 60 Pounds	1 Adult Aspirin 5 Grains)	1 Teaspoonful	Every 4 Hours
65 Pounds or More	2 Adult Aspirins (10 Grains	1 Teaspoonful	Every 4 Hours

NOTE In case of sudden high fever (104° or more) give double the listed aspirin dose immediately and then call the doctor.

APPENDIX B-1

North Country Children's Clinic, Inc.
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WATERTOWN, N. Y. 13601

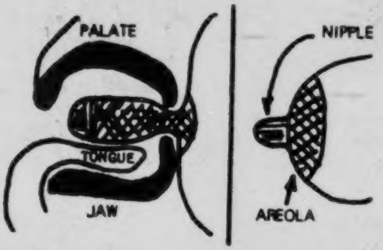
CENTRAL OFFICE: 315-782-6400

GEORGE S. STURTZ, M.D., M.S. (Ped.)
ROBERT B. BROWN, M.D., F.A.A.P.
MICHAEL H. ANTHONY, M.D.

BREAST FEEDING

Breast feeding is a natural human function that has been performed by women for centuries. It can be made very easy if you learn the basic techniques before your baby arrives. There are five simple rules which will make breast feeding easy:

1. ***BABY SHOULD BE AWAKE AND CRYING FOR 5-10 MINUTES:***
   A sleepy baby will usually not nurse or will nurse poorly. Give the baby a chance to signal to you that he is hungry by letting him cry awhile before nursing him.
2. ***ROOT THE BABY TO THE NIPPLE:***
   When you have the baby in your arms, and are ready to nurse, touch the baby's cheek to the nipple. The baby will turn towards the nipple and commence sucking and chewing. This is called "the rooting reflex". *DO NOT* attempt to push the baby's head toward the nipple. It won't work.
3. ***ALL THE BROWN AREA IN THE MOUTH:***
   All of the nipple and the surrounding brown area (areola) should be in the baby's mouth. The milk is stored just behind the nipple; thus the baby must bite in this region to force the milk through the nipple and into the mouth. You can help the baby by pressing him firmly against your breast; this forces the nipple deep into his mouth. The baby also helps himself by sucking, thereby drawing the nipple and areola farther into his mouth.



4. ***NO TIME LIMIT:***
   Each baby is different. Some nurse quickly; some nurse slowly; some nurse awhile and then rest. Some babies will nurse in ten minutes; others take thirty minutes. Watch your baby nurse and realize that he will have his own technique.
   NEVER TRY TO SPEED HIM UP.
5. ***ONE BREAST OR BOTH?***
   Let the baby nurse on one breast until he stops. Ceasing to feed is usually not because the breast is empty, but because of change in strength of the milk. Thus, one should offer the other breast after the baby has stopped nursing on the first breast. When he stops nursing on the second breast the feeding is over.

APPENDIX B-2

These five rules will get you started nursing very nicely. There are other little things that you should know to make nursing easy and comfortable:

Nursing bra – Your breasts will be quite large when you are nursing. Their weight may be enough to stretch them considerably. A good nursing bra, with wide, non-elastic straps should provide you with the support necessary to prevent this. Use a folded, clean, man's hankerchief inside the cup if milk leakage occurs.

Getting the nipple out – Push the breast sideways against the baby's mouth. This will break the suction and the nipple will come out without hurting. Gently sliding your finger in the baby's mouth is another way to break the suction.

Cramps – Abdominal cramps from the uterus occur often during nursing. This is *NORMAL*.

Sexual Sensation – Many women have a sensation of sexual satisfaction during a nursing. This is due to the hormonal relationship between the breast and the uterus.
IT IS VERY NORMAL.

Bowel Movements – Your baby may have a loose watery stool with each nursing. After awhile the baby may have only one stool every three or four days. As long as he is happy, sleeps well, and appears healthy, either pattern of bowel movements is *NORMAL*.

Mother's Diet – Continue to eat your usual diet, plus a *LITTLE EXTRA* for the baby. For example, "a little extra" would be a peanut butter sandwich and a glass of milk. No specific foods need to be avoided. *BUT DON'T EAT LARGE AMOUNTS OF ONE FOOD*. Drink lots of water since it is necessary for your body to make milk which is 87% water!! Remember that poorly nourished women have trouble breast feeding because there is very little fat in their milk. You may not be able to nurse your baby if you are dieting to lose weight, if you are too busy to eat, or if you do not eat your regular diet *PLUS A LITTLE EXTRA* for the baby.

Engorgement – The breasts enlarge considerably during your pregnancy. After delivery they become even larger as your milk supply starts to develop. Two or three days after dulivery your breasts will be very large and very tender. Even rolling over on your stomach may cause pain. The engorgement and pain lasts only a few days and then disappears.

Breathing – You may need to press your breast away from the baby's nose to make his breathing easier and more comfortable.

Frequency of feedings – When you first arrive home, the baby should be nursed every two or three hours during the day and whenever he awakens at night. Frequent nursing helps to establish your milk supply. As the baby grows he will gradually decrease the number of feedings.

Supplemental bottle (Relief bottle) – Do not use a supplemental bottle in the first month or two of life. Frequent nursing is necessary to establish good milk production. Giving bottles defeats this. After your milk is plentiful and the baby is nursing well, you may wish to use a bottle of formula when you are going out or when your husband feeds the baby at night.

DRUGS – DON'T TAKE ANY DRUGS WHEN NURSING UNLESS PRESCRIBED BY YOUR DOCTOR. THIS INCLUDES OVER-THE-COUNTER DRUGS SUCH AS ASPIRIN.

APPENDIX C-2

IMMUNIZATIONS

Statistics indicate the percentage of children completely immunized at time of entry to school. The number of schools existing and the number that responded to survey are noted.

Statistics are broken down into two categories: Public and Private Schools.

JEFFERSON COUNTY

	1972-1973		1976-1977	
	Public	Private	Public	Private
	37 Existing	5 Existing	32 Existing	5 Existing
	23 Responded	5 Responded	30 Responded	5 Responded
Diphtheria	83 %	75 %	95 %	94 %
Polio	86 %	72 %	95 %	94 %
Measles	82 %	53 %	96 %	96 %
Rubella	90 %	71 %	95 %	95 %

ST. LAWRENCE COUNTY

	1972-1973		1976-1977	
	Public	Private	Public	Private
	39 Existing	10 Existing	35 Existing	9 Existing
	25 Responded	8 Responded	32 Responded	7 Responded
Diphtheria	86 %	91 %	94 %	89 %
Polio	80 %	88 %	92 %	83 %
Measles	79 %	90 %	94 %	88 %
Rubella	76 %	88 %	94 %	86 %

LEWIS COUNTY

	1972-1973		1976-1977	
	Public	Private	Public	Private
	10 Existing	2 Existing	9 Existing	4 Existing
	3 Responded	2 Responded	8 Responded	2 Responded
Diphtheria	93 %	89 %	94 %	86 %
Polio	78 %	81	92 %	86 %
Measles	78 %	75 %	93 %	81 %
Rubella	81 %	86 %	93 %	84 %

(Cont'd on page 2)

(Appendix C-2, Cont'd)

FRANKLIN COUNTY

	1972-1973		1976-1977	
	Public	Private	Public	Private
	14 Existing 10 Responded	5 Existing 4 Responded	13 Existing 11 Responded	5 Existing 4 Responded
Diphtheria	84 %	85 %	90 %	84 %
Polio	76 %	87 %	87 %	83 %
Measles	79 %	87 %	87 %	85 %
Rubella	77 %	82 %	86 %	85 %

Note:
Statistics made available by the New York State Department of Health.

STATE OF MICHIGAN
DEPARTMENT OF PUBLIC HEALTH
3500 N. LOGAN P.O. BOX 30035, LANSING, MICHIGAN 48909

WILLIAM G. MILLIKEN, Governor
MAURICE S. REIZEN, M.D., Director

May 8, 1978

The Honorable Carl D. Perkins, Chairman
House Committee on Education and Labor
Washington, D.C. 20515

Dear Congressman Perkins:

Recently, hearings were held concerning the pending WIC legislation. Representatives from Michigan were unable to attend. However, we feel it is imperative to submit testimony representative of those local agencies in Michigan currently administering the WIC Program.

It is our opinion that much of the law, and more specifically, the regulations, are written without knowledge of WIC Program operations at the local level. Because of this, the Michigan State WIC office developed a questionnaire addressing the issues of prominent concern by the local agencies. The responses of the questionnaires were then tabulated and a summary written. The attached testimony reflects the opinions expressed through those questionnaires. A copy of the questionnaire and summary of the responses is also attached.

We urge you to review the testimony and summary and strongly consider these opinions while developing the pending WIC legislation.

Many of the local projects support and defend the concept of the WIC Program. However, because of many of the rules and regulations enforced by USDA, the operation and administration of the program is often burdensome and very difficult. Again, I urge you to consider this testimony and take the necessary action.

Thank you.

Sincerely,

Maurice S. Reizen, M.D.
Director

Attachments

"Equal Health Opportunity for All"

The following testimony is being submitted in relation to the WIC Program legislation:

This testimony expresses opinions on some of the major issues being discussed in both the WIC legislation and regulations. The opinions expressed in this testimony have been formulated from questionnaires submitted to the Michigan Department of Public Health from local WIC Projects in Michigan.

1. Preventative Health

   The WIC Program should primarily be administered as a preventative health program in conjunction with other health care services. However, emphasis should also be placed upon the therapeutic value of the program for those individuals who demonstrate a medical/nutritional need. It is the consensus of the local WIC Projects in the State of Michigan that those individuals whose incomes fall below 125% of the poverty level established by the Secretary be eligible for receipt of WIC foods, regardless of medical/nutritional status. Individuals whose incomes fall between 125% and 195% of the poverty level should also be considered eligible for receipt of WIC foods if they demonstrate a medical and/or nutritional need. The health care component should remain a requirement for all recipients of WIC foods.

2. Administrative Costs

   It is our contention that the current administrative allowance is not justified. Twenty percent of food expenses for administration is not sufficient to administer the WIC Program given the mandates of the current regulations. The current system is difficult to maintain. Greater flexibility in the administrative allowance should be provided, possibly increasing the percentage to 25% or 30%. Or some of the mandates for accountability, such as one-to-one reconciliation of coupons should be eliminated. In an attempt to establish minimum staffing patterns for local agencies, we have realized that nutritionists and other health trained personnel are necessary to ensure the tie to health care. We cannot assume that those specially trained persons can donate their services to the WIC Program. The current administrative cost structure and WIC Program regulations do not permit acceptable minimum staffing patterns.

   The State of Michigan strongly supports the payment of funds for the "efficient and effective implementation of the WIC Program". However, we feel that USDA has grossly misinterpreted the law by including start-up costs in the allowable twenty percent for administrative expenses. It is almost impossible for a local agency to commence a WIC Program when restricted to an administrative level equal to twenty percent of food expenditures. Even agencies that have been operating a WIC Program for some time now, have difficulty operating efficiently and effectively at the twenty percent administrative level. USDA should provide a separate allocation of funds for the purpose of starting new local WIC Projects.

3. Purchase of Medical Equipment with WIC funds

Although we believe WIC service should be accompanied by an ongoing health care system for all recipients, it is difficult to justify not funding monies for the purchase of medical equipment. One local project responded:

> "If WIC is to be part of an ongoing health care system, then it should share in the cost of supporting that system. Contributing towards the cost of medical equipment is part of that shared responsibility".

The addition of WIC services to existing health care systems puts an extra load on the use of medical equipment. Therefore, we strongly support the use of WIC funds for the purchase of medical equipment used to screen potential WIC recipients.

4. Availability of Funds for Program Evaluation

USDA should provide special funds for the purpose of evaluating the WIC Program. Currently funds are not sufficient to evaluate results, either intended or unintended, received through WIC services. Evaluation should be conducted by all levels of government working cooperatively.

5. Food Package

The food package should be changed to exclude those cereals with a high content of sugar. It is recommended that the USRDA for iron content be reduced to 25% to allow a greater variety of cereals to be purchased by WIC recipients. Alternatives to a portion of the eggs provided should be developed. The two and one half dozen eggs is too much and often difficult to purchase.

States and local agencies need to be given more flexibility to prescribe a food package that is acceptable to all racial and ethnic groups. The regulations should specify the nutrient requirements of the food package. The states and local agencies should share responsibility for identifying locally available foods that meet the requirements and that are acceptable to local population groups.

SAMPLE

1. The Federal law states that the WIC Program is an adjunct to good health care and is intended "to prevent the occurrence of health problems". Do you feel that the WIC Program should be:

   A) a preventative health program? ________

   B) a therapeutic health program? ________

EXPLAIN: ____________________

____

____

____

Do you feel any current administrative policies and procedures of the program are inconsistent with your response to the above?

Yes ☐ No ☐

EXPLAIN: (Also, comment on changes you would recommend.) ________

____

____

____

2. U.S.D.A. has justified not funding medical equipment because WIC is part of an ongoing health care system. Do you feel that WIC funds should be used for medical equipment such as scales, centrifuges, etc.?

Yes ☐ No ☐

EXPLAIN: ____________________

____

____

____

3. Currently, startup costs are interpreted as part of an agency's 20% administrative allowance. The law states that "During the first three months of any program or until the program reaches its projected caseload level, whichever comes first, the Secretary shall pay those administrative costs necessary to commence the program successfully". Do you feel that U.S.D.A.'s interpretation of the law is correct?

Yes ☐ No ☐

EXPLAIN: ____________________

____

____

____

(Include examples of problems that the current legislation created for your agency.)

4. U.S.D.A. is considering making all people of "very low income" eligible for WIC services whether or not nutritional risk is evident.

For Example: If a family receives an income below 125% above poverty level, we would assume that this income is insufficient to support an adequate diet. Therefore, nutritional risk would be attributed to low income alone.

Should low income be enough justification for receipt of WIC food items?

Yes ☐ No ☐

COMMENT: ______________________________

____

____

____

If there were such a base level income, what income level would be appropriate for your target audience?

EXPLAIN: ______________________________

____

____

____

5. Do you feel that ongoing program evaluation to assure the effectiveness of the WIC Program is the responsibility of:

_________ Local Agency

_________ State Agency

_________ Federal Agency

_________ Other

EXPLAIN: ______________________________

____

____

____

6. Do you feel that U.S.D.A. should provide special funds over and above the local administrative allowances for program evaluation?

Yes ☐ No ☐

Who should establish guidelines for program evaluation?

EXPLAIN: ____

7. Do you feel that U.S.D.A. should provide special funds over and above the local administrative allowances for WIC nutrition education?

Yes ☐ No ☐

EXPLAIN: ____

What should be the basis for this funding?

A) Caseload levels

B) Number of persons actually receiving nutrition education (dollar amount per person)

C) Justification of a separate nutrition education budget

D) Other (specify)

EXPLAIN: ____

8. If program funds are limited, who should receive WIC services? Prioritize the following:

__________ Pregnant Women

__________ Breastfeeding Women
For How Long __________

__________ Postpartum Women
For How Long __________

__________ Infants

__________ Children
Up to Age __________

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COMMENTS: (No. 8 continued)

9. Do you feel that Congress should appropriate limited WIC funding (as it now operates) or should there be entitlement funding (similar to EPSDT and food stamps)?

Yes ☐ No ☐

EXPLAIN:

If Congress were to allocate unlimited funding (entitlement funding) to serve all eligible persons, who should be eligible?

	Yes	No
Pregnant Women	☐	☐
Breastfeeding Women (For How Long)	☐	☐
Postpartum Women (For How Long)	☐	☐
Infants	☐	☐
Children (For How Long)	☐	☐
Based upon income alone?	☐	☐
Based upon medical/ nutritional risk only?	☐	☐
Both income and medical/ nutritional risk?	☐	☐

EXPLAIN:

10. Should the food package be changed? Yes ☐ No ☐ If so, how?

EXPLAIN: ____

11. Do you think the present administrative formula is justified (20% of food costs)?

Yes ☐ No ☐

If not, how would you like administrative funds allocated?

EXPLAIN: ____

12. Do you feel a local WIC agency should provide minimum health care services?

Yes ☐ No ☐

If so, what services should be offered? If not, why?

EXPLAIN: ____

If a county or district is unable to provide these services, should WIC services be denied?

Yes ☐ No ☐

EXPLAIN: ____

What changes should be made in the federal legislation in order to promote delivery of these services?

____

A total of twenty-two questionnaires were received. Twenty of the twenty-four local projects responded. Several projects submitted two questionnaires.

Following is a brief summary of responses to the questions with some of the responses included.

1. THE FEDERAL LAW STATES THAT THE WIC PROGRAM IS AN ADJUNCT TO GOOD HEALTH CARE AND IS INTENDED "TO PREVENT THE OCCURRENCE OF HEALTH PROBLEMS". DO YOU FEEL THAT THE WIC PROGRAM SHOULD BE:

   A) A PREVENTATIVE HEALTH PROGRAM?

   B) A THERAPEUTIC HEALTH PROGRAM?

Twenty-two unanimously felt the program should be preventative, while ten of those agencies thought it should be both a preventative and therapeutic program.

> "The guidelines make the program a therapeutic program, but the intent is a preventative one, especially for newborns. Keep the preventative health program aspect for pregnant mothers and newborns and the therapeutic for the children."

> "The WIC Program should be designed to respond to the needs of persons for whom improved nutrition might alleviate health problems and for whom improved nutrition might prevent the occurrence of health problems."

> "The concept of good, proper nutrition is basically a preventative concept. All eat to maintain growth and health-we don't simply eat to correct or treat a body defect or deficiency."

DO YOU FEEL ANY CURRENT ADMINISTRATIVE POLICIES AND PROCEDURES OF THE PROGRAM ARE INCONSISTENT WITH YOUR RESPONSE TO THE ABOVE?

Eighteen of those responding thought that the current administrative policies and procedures of the program were inconsistent with a preventative health program. Three thought administrative policies were consistent.

> "246.7 (5)(c)-Regression in nutrition status...'may remove a recipient from the program at a certification visit if that person in the competent professional's judgement is no longer believed to be in nutritional need." Client who has been certified into the program should not be removed because nutritional status has improved--one of the goals of the program is to improve nutritional status."

Several agencies commented on the difficulty of finding medical/nutritional criteria for eligibility of infants and thought persons whose income is less than 125% of poverty level should be put on the program irregardless of medical/nutritional risk.

2. U.S.D.A. HAS JUSTIFIED NOT FUNDING MEDICAL EQUIPMENT BECAUSE WIC IS PART OF AN ONGOING HEALTH CARE SYSTEM. DO YOU FEEL THAT WIC FUNDS SHOULD BE USED FOR MEDICAL EQUIPMENT SUCH AS SCALES, CENTRIFUGES, ETC.?

Of the twenty-two responses, eighteen thought WIC funds should be used for purchasing medical equipment used to determine medical/nutritional eligibility for the WIC Program.

> "Ongoing health care systems are planned, funded, staffed and equipped to be able to handle an expected normal load efficiently. When thousands more people enter the system, extra equipment is just as much necessity as extra staff. To deny that necessity is equivalent to denying the importance of the data it should be used to produce. The position is also inconsistent; we have ongoing clerical and reporting functions as well, yet there is no refusal to provide adding machines and typewriters. The implication is that need and accurate reports are more important to U.S.D.A. than the medical data they say is important to properly carry-out program goals."

> "Though it is generally possible for WIC to be a part of an ongoing health care system, there are many instances, due to lack of accessibility in which the efficiency of the program could be enhanced if certain medical equipment were a part of WIC. For instance, the access to scales in our main office would normally require pregnant clients to walk up and down stairs in order to be weighed. This seems an undesirable demand and risk."

> "If WIC is to be part of an ongoing health care system, then it should share in the cost of supporting that system. Contributing towards the cost of medical equipment is part of that shared responsibility."

3. CURRENTLY, STARTUP COSTS ARE INTERPRETED AS PART OF AN AGENCY'S 20% ADMINISTRATIVE ALLOWANCE. THE LAW STATES THAT "DURING THE FIRST THREE MONTHS OF ANY PROGRAM OR UNTIL THE PROGRAM REACHES ITS PROJECTED CASELOAD LEVEL, WHICHEVER COMES FIRST, THE SECRETARY SHALL PAY THOSE ADMINISTRATIVE COSTS NECESSARY TO COMMENCE THE PROGRAM SUCCESSFULLY". DO YOU FEEL THAT U.S.D.A.'S INTERPRETATION OF THE LAW IS CORRECT?

In regards to U.S.D.A.'s interpretation of start up costs in relation to the law, two questionnaires responded yes, while twenty questionnaires responded no.

> "U.S.D.A.'s interpretation is unreasonable."

> "Because of this interpretation, we couldn't afford enough staff during the first year to meet caseload. Because we didn't meet caseload on schedule, we couldn't hire more staff. Because of being short-staffed, we haven't been able to meet caseload yet this year. If we don't meet caseload, our funding will be cut. If our funding is cut, we'll lose staff, causing in turn the inability to handle what caseload we now have.

"I doubt that this kind of negative feedback was any part of the legislative intent. It is not a logically defensible interpretation."

Start-up costs were "no problem for our agency, but only because our staff doubled up to provide WIC."

"...due to the low caseload at the inception of the program, food cost is minimal while administrative costs are at their highest."

"It is absoultely an unrealistic interpretation."

U.S.D.A.'s interpretation of the law is "obviously not" correct.

4. U.S.D.A. IS CONSIDERING MAKING ALL PEOPLE OF "VERY LOW INCOME" ELIGIBLE FOR WIC SERVICES WHETHER OR NOT NUTRITIONAL RISK IS EVIDENT. SHOULD LOW INCOME BE ENOUGH JUSTIFICATION FOR RECEIPT OF WIC FOOD ITEMS?

Thirteen persons thought that low income was sufficient justification for receipt of WIC food items. Nine said no. Most thought those individuals whose income falls below 125% of poverty level should automatically receive WIC foods, irregardless of a medical/nutritional risk. Individuals whose income falls between 125% and 195% should meet both financial and medical nutritional risk criteria. Several persons who responded "no" to the question, felt that food stamps was sufficient for low income individuals.

5. DO YOU FEEL THAT ONGOING PROGRAM EVALUATION TO ASSURE THE EFFECTIVENESS OF THE WIC PROGRAM IS THE RESPONSIBILITY OF: LOCAL AGENCY, STATE AGENCY, FEDERAL AGENCY OR OTHER.

The following responses were received in reference to who should be responsible for ongoing evaluation of the WIC Program:

Local Agency	14	responses
State Agency	20	responses
Federal Agency	9	responses
Other	1	response

The following combinations were also suggested:

Local and State	5	responses
State and Federal	2	responses
Local, State & Federal	7	responses

Most responses indicated that local and state agencies should work together with the Federal agency monitoring the use of Federal funds.

6. DO YOU FEEL THAT U.S.D.A. SHOULD PROVIDE SPECIAL FUNDS OVER AND ABOVE THE LOCAL ADMINISTRATIVE ALLOWANCES FOR PROGRAM EVALUATION?

Nineteen answered yes. Three answered no.

Most agencies felt that guidelines for evaluation should be established with input from the Federal, State and Local levels.

7. DO YOU FEEL THAT U.S.D.A SHOULD PROVIDE SPECIAL FUNDS OVER AND ABOVE THE LOCAL ADMINISTRATIVE ALLOWANCES FOR WIC NUTRITION EDUCATION?

Eighteen responded yes. Three responded no.

WHAT SHOULD BE THE BASIS FOR THIS FUNDING?

A. CASELOAD LEVELS

B. NUMBER OF PERSONS ACTUALLY RECEIVING NUTRITION EDUCATION (dollar amount per person).

C. JUSTIFICATION OF A SEPARATE NUTRITION EDUCATION BUDGET

D. OTHER (specify)

Caseload Levels - 8 responded

Number of persons actually receiving nutrition education - 7 responded

Justification of a separate nutrition education budget - 4 responded

Other - 2 responded (reply below)

"Person to work with school administration and curriculum planners to incorporate nutrition education as a part of school curriculum."

A breakdown of those specific needs pertaining to the nutrition education component should be satisfactory justification.

8. IF PROGRAM FUNDS ARE LIMITED, WHO SHOULD RECEIVE WIC SERVICES? PRIORITIZE THE FOLLOWING:

PREGNANT WOMEN

POSTPARTUM WOMEN
(for how long)

CHILDREN
(up to Age___)

BREASTFEEDING WOMEN (for how long)

INFANTS

	First Priority	Second Priority	Third Priority	Fourth Priority	Fifth Priority
Pregnant Women	19	3			
Breastfeeding Women		3	13	5	
Postpartum Women				2	19
Infants	4	16	2		
Children			7	14	1

Length of time recipients should be allowed to receive WIC benefits.

	6 wks	2 mts	3 mts	6 mts	1 yr	3 yrs	4 yrs	5 yrs	6 yrs	Infant Weaned
Breastfeeding Women			1	7	9					4
Postpartum Women	2	1	8	8	1					
Children						2	6	11	2	

9. DO YOU FEEL THAT CONGRESS SHOULD APPROPRIATE LIMITED WIC FUNDING (as it now operates) OR SHOULD THERE BE ENTITLEMENT FUNDING (similar to EPSDT and food stamps)?

Seven agencies felt that Congress should appropriate limited WIC funding. Thirteen agencies felt that WIC should be an entitlement program.

The following list indicates responses received in reference to who should be eligible if Congress were to allocate entitlement funding.

IF CONGRESS WERE TO ALLOCATE UNLIMITED FUNDING (entitlement funding) TO SERVE ALL ELIGIBLE PERSONS, WHO SHOULD BE ELIGIBLE?

	Yes Responses	No Responses
Pregnant Women	20	0
Breastfeeding Women	19	0
Postpartum Women	16	2
Infants	20	0

Children	20	Yes Responses	0	No Responses
Income Alone	26		10	
Medical/ Nutritional Risk Alone	4		11	
Both Income and Medical/Nutritional Risk	16		2	

Length of time recipients should be allowed to receive WIC benefits.

	6 wks	3 mts	6 mts	1 yr	2 yrs	3 yrs	4 yrs	5 yrs	6 yrs	Infant Weaned
Breastfeeding Women		1	3	9						4
Postpartum Women	2	6	3							
Children					1	2	3	11	2	

Again, several responses indicated that individuals whose income falls below 125% of proverty level should be elgible on income criteria alone. The present income and medical/nutritional criteria should be used for individuals whose income falls between 125% and 195% of poverty level.

10. SHOULD THE FOOD PACKAGE BE CHANGED?

Fourteen responded yes. Seven responded no.

> "Eliminate sugar coated cereals. Allow greater discretion of physician as to iron content of formula. Allow fresh fruits."
>
> "Food Package III - Children with Special Dietary needs increase fruit juice to 276 fluid ounces (same as food package II)."
>
> "The adult cereal package is unpopular, resulting in unused coupons, which defeat the reasons for including cereal. If the iron levels acceptable were to be dropped enough to include a wider range of acceptable cereals, the participant would eat more cereal than is now the case, and eating more should mean that the iron intake level should be higher overall as a result than is now the case."
>
> "Change to allocate amounts by age."
>
> "Eliminate sugar coated cereals, less cereal per coupon, allowing adult non-sweetened cereals to infants 10 months and over."

"...vegetables should be substituted for 1 dozen eggs."

"Vegetable juices such as tomato or V-8 juice should be allowed...."

"People who qualify for the program but do not suffer from low iron should be allowed to buy cereal with 25% or more of the U.S.R.D.A. for iron."

"A competent professional authority should be allowed to make appropriate substitutions to accommodate cultural eating patterns within the nutrient specifications of the program."

"...exclusion of the high-sugared cereals...allowance for the purchase of fresh fruit or vegetables...quantity of infant cereal reduced..."

"Get rid of sugar coated cereal; allowance of greater physician discretion in use of iron; allow iron drops in 1% of infant participants with physician orders; non iron-fortified formula; allow fresh fruits."

"Cereals not acceptable to most children. Probably too much milk. Does not take into account cultural food habits."

"...flexibility to accommodate ethnic groups and special nutritional needs."

"increase the number of cereals...delete 1/2 dozen eggs...(include) non iron-fortified formula and physician documentation of iron supplement....eliminate quarts of milk and only use 1/2 gallon or gallon."

"...clients dislike the cereals...lower iron requirements and increase the variety of the cereals available to insure their consumption."

"...amount of eggs should be decreased and another protein source substituting for them, for instance, peanut butter. Additional cereals which are more acceptable and contining at least 25% R.D.A. for iron should be allowed."

11. DO YOU THINK THE PRESENT ADMINISTRATIVE FORMULA IS JUSTIFIED (20% of food costs)?

Three answered yes. Nineteen answered no.

"Administrative costs should be allocated on the basis of what it takes in a given area to do the job at hand. Given two areas identical except that one has higher food costs than the other, and WIC Program in those areas with identical numbers of participants, how can this be interpreted to mean that the area of lower food cost will need less staff/equipment/materials than the other area? What do food costs have to do with determining how many nurses are required to certify or clerks to record for a given caseload?"

"...increase percentage to 30%..."

"...would prefer greater flexibility."

"should be at least 25% with special funds for start-up, equipment, nutrition education, etc."

"...25% - 30% administrative cost allowance would more realistically reflect our need...."

"administrative funds should be guaranteed...The current system ...is ridiculous."

12. DO YOU FEEL A LOCAL WIC AGENCY SHOULD PROVIDE MINIMUM HEALTH CARE SERVICES?

Eighteen answered yes. Four answered no.

"Identified needs - such as health education, referral information, immunizations, family planning, prenatal care, etc."

"Complete prenatal, postnatal services...with appropriate referrals where necessary..."

"....It does little good to discover a problem if you cannot offer a solution, at least on a referral basis."

"...There should be agreements with local or private health care agencies to provide minimal health care."

"...WIC services should only be provided to those recipients who are using at least one other health department service."

IF A COUNTY OR DISTRICT IS UNABLE TO PROVIDE THESE SERVICES, SHOULD WIC SERVICES BE DENIED?

Three answered yes. Nineteen answered no.

"This is backwards! What logic is involved in denying a program to a population because it has more unmet needs than others?"

"Providing WIC might eliminate the need for some of the health care services needed."

"If an area is unable to support these services, it is an indication that the population is perhaps in even greater need of a program such as WIC."

"...we make frequent use of referral resources and have implemented good working relations with local physicians.. The WIC Program has put us in close touch with some of the highest risk families in our areas."

"That is a crazy denial of a preventative service."

"These minimal services should be available in all agencies if the WIC Program is to be taken effective."

WHAT CHANGES SHOULD BE MADE IN THE FEDERAL LEGISLATION IN ORDER TO PROMOTE DELIVERY OF THESE SERVICES?

"Assured funding"

"Change the definition of administrative services to exclude direct services provided in clinics. Direct services should be treated the same as food costs (100% reimbursement). Administrative costs should include supervision, bookkeeping, supplies and equipment and other indirect costs."

"Funding outreach and public health nursing visits."

"Mandate that all state and local health departments apply for WIC services and make them available to the citizens of that county. Eligible people living in non-serviced areas are being discriminated against."

"The issue of funding should be evaluated to discover if more collaboration could not be established between the U.S.D.A. and H.E.W. Certainly, health and education are integral concerns of the program and it may be found that the overall effectiveness of the program could be enhanced through the cooperation of the two agencies."

"I believe federal legislation needs to be altered to promote more efficient delivery of WIC services to rural areas through the provision of increased funds for outreach services...and provide for a nutritionist or nurse home visiting...."

"Fund outreach field visit follow-up funding, and all participation for all eligible persons."

"Program should be assigned to HEW, NOT U.S.D.A. - it should be monitored by health personnel in the health care field."

"Delete geographic boundaries as it applies to eligibility for WIC."

"Closer coordination of WIC legislation and funding with the Social Security Act, Title V legislation and funding..."

"Changes should include monies to computerize..., a complete change from the current 20% formula to a guaranteed administrative allowance, allow medical equipment as a approved administrative cost."

"1. Adopting National Health Insurance
 2. Federal funding to health departments to provide summary car
 3. Proposed C.H.A.P."

Mobilization of Resources is a private non-profit social service planning agency serving Somerset County, New Jersey and has been in operation since 1972. We receive our funding from the United Way, The Somerset Community Action Program and the Federal Government through the State of New Jersey. We also receive staffing through CETA.

Mobilization of Resources does social service planning mainly in the area of children and youth. We also provide program development, grantsmanship, information and referral, technical assistance, legislative analysis and the development of a Family Day Care Home Referral System and training.

This agency was the first in New Jersey to incorporate the Child Care Food Program into Family Day Care Homes. The CCFP reimbursement is an option to family day care providers in the Mobilization of Resources System and was started in April, 1977.

We wish to address a vital concern for current and potential family day care sponsors of the Child Care Food Program (CCFP) in the state of New Jersey. This concern is the eligibility of family day care homes for participation in the CCFP. As the State of New Jersey has no licensing of or standards for Family Day Care, the Federal Interagency Day Care Requirements (FIDCR) must be met for CCFP participation.

The FIDCR adminstrative and provider/home responsibilities are extensive, including such areas as home and program evaluation, staff and provider training, facility compliance in the areas of fire, safety and sanitation, a pediatrician and nutritionist mandated as consultants to the program and health requirements for both the adults and children in the family day care homes.

The magnitude of these requirements is compounded by the lack of adequate funds available for FDC sponsors and providers to carry them out.

As an agency, Mobilization of Resources has addressed all areas of the FIDCR and has managed to incorporate them into our Family Day Care System. Also, as Mobilization of Resources is Title XX funded, we are mandated to comply with the change brought about by PL94-401 which affects Title XX sponsored family day care homes. When child care legislation HR12455 was signed into law (PL94-401) in August, 1976, the FIDCR standards for family day care homes were changed so that the day care mother would not have to count her own children age six and over in the total count of children allowable in the home. This change was in turn incorporated into the Mobilization of Resources FDC program.

As was stated in the beginning of this testimony, the CCFP reimbursement is an option to the FDC providers in our program. This was not our agency's decision, as we would like all of the children to be receiving the nutritional benefits of the CCFP. The only reason the CCFP is not offered to the entire program is because the USDA will not recognize our need as a Title XX agency to comply with PL94-401. For a family day care provider to be eligible for our program, she must count her own children under age six in the total allowable count; to be eligible for CCFP reimbursement, she must count her own children under the age of fourteen.

Many of the current and potential sponsors of family day care in New Jersey are Title XX funded agencies that are experiencing the same problem and frustration in this area.

In addition, Mobilization of Resources currently - has a written agreement with the Division of Youth and Family Services to place their clients in our FDC house,

- contracts with CETA to provide family day care for children of eligible CETA enrollees,
- serves as a part of the New Jersey Family Day Care Standards Committee called by the Division of Youth and Family Services (DYFS) and
- implements what will be the DYFS standard FDC evaluation form. Yet the USDA maintains that we must comply with their interpretation of the FIDCR to remain a CCFP sponsor.

One of the major provisions of the CCFP portion of H.R. 11699 is to allow a more flexible eligibility criteria to become a CCFP sponsor for FDC homes. The CCFP is a valuable benefit to children receiving Family Day Care and should be implemented to its fullest. We strongly urge you to support H.R. 11699.

Migrant and Seasonal Farmworkers Association, Inc.
P. O. Box 33315
3929 Western Boulevard
Raleigh, North Carolina 27606

WILLIAM H. SHIPES
EXECUTIVE DIRECTOR
(919) 851-7611

April 28, 1978

The Honorable Carl Perkins
Committee on Elementary, Secondary
and Vocational Education
2365 Rayburn House Office Building
Washington, DC 20515

RE: H.R.11699 and H.R.11259

Dear Sir:

Please find enclosed two testimonies from the Migrant and Seasonal Farmworkers Association, Inc. concerning upcoming legislation on the WIC Program and School Meal Programs.

The Migrant and Seasonal Farmworkers Association, Inc. (M.S.F.A.) is a private non-profit agency dedicated toward providing services to migrant and seasonal farmworkers. It is also the responsibility of M.S.F.A. to seek institutional changes in existing government programs where feasibel and possible to render these programs more accessible to their target groups.

The Community Food and Nutrition Program, one of M.S.F.A.'s many programs, feels there should be some changes made in both the WIC and School Meal Programs. These changes are incorporated into the bills H.R.11259 and H.R.11699 and are expanded upon in the enclosed testimonies. M.S.F.A. requests your support for these bills.

The Administration has recently submitted its Child Nutrition Assistance Act. The contents of this legislation are of great concern to M.S.F.A. Please note the following comments on the school breakfast section of this Act:

1. It calls for required expansion of school breakfast programs in schools having an enrollment of over 100 students and participating in the school food service program during the 1977 - 1978 school year which also have 50% of the enrolled students eligible for free or reduced price meals. However, immediately following the expansion requirement is a statement that implies to schools that they do not have to comply with this section even if they do fall within the stated eligibility requirements.

RE: H.R.11699 and H.R.11259
Page 2
April 28, 1978

M.S.F.A. favors a school breakfast expansion requirement for schools where 25% of the students are participating in free or reduced priced meals and sees the necessity for a clearly stated requirement that is enforceable.

The requirement as stated in Section 502 (b) of the Administration's bill is contradictory since it allows for schools within an area who are required by this section to implement a breakfast program to get away with not doing so as long as other schools instate programs that will feed the same number of students the noncomplying schools are required to feed. This could easily create a chain reaction of shifting the burden along until someone will bear it - thereby creating many problems for state and/or local school officials in coming up with those schools who will serve the specified numbers of children.

M.S.F.A. understands USDA's position in feeling that flexibility may be the key to the passage of the school breakfast expansion requirement. However, we must express our concerns over the ineffectiveness of the program that might result when their act clearly states that schools do not have to comply. Therefore, it is essential that the requirement be clearly stated without conditions allowing for noncompliance.

Also, the Administration's 50% requirement along with its escape clause will have an adverse effect on rural areas where concentrations of low income residents are not so great as in urban areas. As representatives of a rural constituency and citizens of N.C. where most schools are in rural areas, we are deeply concerned with the Administration's provisions that will mainly benefit urban areas.

2. The Administration's expansion requirement would not become effective until the 1979 - 1980 school year. The program is needed now, therefore, implementation should become effective during the 1978 - 1979 school year.

3. M.S.F.A. is concerned with the Administration's allowance of the States to withhold meal funds where the specified numbers of needy children are not getting served. It does not appear feasible to allow funds to be withheld from schools for noncompliance when the Act itself allows for the noncompliance.

Again the need is evident for the elimination of the second portion of their Section 502 (b) so that the expansion requirement is clearly stated and can then appropriately be enforced by the states' withholding of the funds for noncomplying schools.

4. Although Section 1404 (b) designates procedures that can be taken against schools which physically segregate or discriminate against students eligible for free or reduced price meals, the statement of intention should be followed up by clearer statements such as, "The use of meal tickets or meal tokens is not allowed. The use of such tickets or tokens will result in referral to the Attorney General with the request for injunctive relief to require compliance as provided for in Section 1404 (b) of this Act."

5. Even though USDA has sought to eliminate junk food availability to students until after lunches have been served, why should these "foods" be available in the schools at any time? Junk foods should not be allowed in school meals or in vending machines on school premises. The schools should have to practice the nutrition education which they teach.

Please keep the above comments in mind when reading M.S.F. A.'s testimony on the school breakfast program. It is essential that legislation is provided this year to meet the basic nutritional needs for school children. If these basic necessities are not made available to the children, we cannot expect them to obtain the education necessary for them to function in the future as responsible adults.

Thank you for your concern and cooperation. Additional information regarding the enclosed testimonies may be obtained by contacting Ms. Vickie McCullen, CFNP Specialist, Migrant and Seasonal Farmworkers Association, Inc., P. O. Box 33315, Raleigh, NC 27606 or at area code (919) 851-7611.

Sincerely,

William H. Shipes
Executive Director

WHS:jaf

Enclosures

Migrant and Seasonal Farmworkers Association, Inc.
P. O. Box 33315
3929 Western Boulevard
Raleigh, North Carolina 27606

WILLIAM H. SHIPES
EXECUTIVE DIRECTOR
(919) 851-7611

April, 1978

Testimony
on
School Breakfast Program Recommendations
in
H.R.11699

Much information is available on good nutritional practice and its effects on our lives. Nutritionists have referred to breakfast as the most important meal of the day. A person's daily mental and physical performance is certainly affected to a large extent by the way his (or her) day commences nutrition-wise. Many Americans for varied reasons, do not eat a nutritious breakfast and consequently are functioning at a lesser level of mental and physical proficiency. The resulting implications are many and far-reaching. This testimony is concerned with the proposed amendments to the school breakfast program contained within H.R.11699 and deals with those implications.

At present, federal regulations concerning school breakfast programs are contained within The Child Nutrition Act of 1966. School lunches are regulated by a seperate piece of legislation - The National School Lunch Act. H.R.11699 would combine these two seperate pieces of legislation into a single act on child nutrition. Since the aims of both laws are to provide school childrer with nutritious meals, it seems unnecessary to continue having separate pieces of legislation concerning school meals, therefore, they should be combined into a single act.

The existing law does not make it mandatory for schools to serve breakfast. A school breakfast mandate needs to be established on the federal level. H.R.11699 provides for a mandate that would require all schools to have breakfast programs where a 25% percent of the children in the lunch program get free or reduced-price lunches. This federal mandate is absolutely necessary because school breakfast programs are essential and voluntary implementation of the program has not been effective.

The school breakfast program was created 12 years ago because it finally became evident that the provision of a nutritious breakfast in the schools was needed just as much as the provision of a nutritious lunch. A nutritious breakfast program benefits both the children, the families and the school:

1. The students are more alert and energetic and thereby more receptive to learning.

2. Schools with breakfast programs report they have:

   a. Less complaints of stomach aches in the mornings.
   b. Less absenteeism.
   c. Fewer discipline problems.

3. Teachers report their students are:

   a. Less irritable.
   b. More enthusiastic in their work.

4. Parents:

   a. Express relief at not having to work breakfast into their tight morning schedules when preparing for work themselves and getting the children ready for school.
   b. Do not suffer guilt feelings over not having served their children a nutritious breakfast during this rushed period.
   c. Many leave for work before their children leave for school.
   d. Feel it is difficult to force many children to get ready for school in time to allow for breakfast before leaving.
   e. Say children are more receptive to eating a nutritious breakfast with their friends at school than when at home.
   f. Sometimes cannot afford to serve breakfast to their children.
   g. In many instances cannot afford to serve neither a nutritious dinner to their children nor a nutritious breakfast which means the children's only balanced meals come from the schools.

5. Good breakfast programs can help to improve students' dietary practices, resulting in better mental and physical health.

6. The foods missed at breakfast will seldom be made up by children at other meals.

There are sound economic arguments for a school breakfast mandate. The monies expended by the government on food programs in schools has a positive impact on the economy by creating new jobs and increasing business receipts to farmers, the food industry and merchants. The increase in jobs resulting from the mandate would also mean more money being spent by those farmers and businessmen on goods and services in other areas of our economy - which would lead to an increase in the Gross National Product on the national level.

The school breakfast program has existed for 12 years on a voluntary basis of implementation. The voluntary method has not worked. This can clearly be seen by comparing the number of school breakfast programs in any of the states to the number of schools in that state.

For instance, there are 2,000 + schools in North Carolina. As of December 31, 1977, there were 1,039 schools in the state operating a breakfast program. This means that approximately 50% of the schools in North Carolina do not have the program. The state estimates that 1,800 schools have 25% or more of their enrollment eligible for free or reduced-price meals - which shows that approximately 90% of the schools in the state of North Carolina are in need of a breakfast program, but have chosen not to have one under the voluntary basis of implementation existing throughout the past twelve years.

It is clearly evident that a federal mandate is needed to ensure that the schools do implement a breakfast program. Otherwise, those children in need of a nutritious breakfast and who do not get one from home, will continue to suffer mentally and physically from malnutrition until a school breakfast mandate is effected.

Many opponents of a federal mandate feel that the need for school breakfast programs can be determined by surveying families and that if the families feel the need exists, then the program can be instated on a voluntary basis. This means of implementation has been tried in the past and has not worked effectively. In many instances, parents have wanted school breakfast programs only to have principals or boards of education refuse to implement the programs. Also, the wording of the survey forms can be such that it would appear parents were against school breakfasts when they in fact wanted their schools to have a breakfast program, but disagreed with the negative or poor working of the forms which they completed.

For instance, some forms were discovered to have asked questions such as, "Would you be in favor of a school breakfast program if it were necessary to have your children leave for school an hour earlier than they now leave?" Since most parents find it hard enough to get everyone off on schedule in the mornings, many would answer no to this question. The negative wording of questions would definitely have a negative influence on the implementation of school breakfast programs and would not result in a true surveying of the parents' feelings on the real issue - if they feel the need for a breakfast program in their school systems.

The above cited example may sound bizarre, but it does happen. So, even with the surveying of parents, there are still no guarantees that a program will be instated if the need exists. Only a mandate on the federal level will ensure that children have the opportunity of nutritious breakfasts.

Many state school food service divisions are doing a great deal of promotional work to encourage schools to implement breakfast programs, but want implementation to remain voluntary. The promotional work they are doing is supposedly the means to obtaining a specific goal - to get all their schools to have breakfast programs. A federal school breakfast mandate would achieve this goal for them and allow all the money they are pouring into these promotional campaigns to be used elsewhere within the school food service divisions. So why do they refuse to endorse a mandate if it will help ensure that their goal is obtained - especially when they admit that they realistically cannot foresee 100% voluntary participation by those schools which would have 25% or more of their enrollment participating in free or reduced-priced meals.

They state reasons for refusing to endorse the mandate such as:

1. They do not want to become solely monitoring agencies.
2. A mandate would cause "bad feelings" between the state school food service division and the school systems within their states.
3. More and more schools are implementing breakfast programs on a voluntary basis.
4. They do not foresee participation levels in breakfast programs to reach that of the lunch program.

There are valid contradictions to the above-stated reasons. First, it is the state agencies' responsibility to see that school children within their states receive meals while at school which are expected to benefit them nutritionally and educationally. They are responsible for monitoring the schools to ensure that they are serving meals according to the regulations. "Bad feelings" between local schools and state agencies are not as important as are those children who are functioning on an inferior level physically and mentally as a result of their malnutrition - to which many schools are attributing and to which these state agencies are condoning by not endorsing a mandate.

Although more and more schools are implementing school breakfast programs on a voluntary basis, only fractions of the numbers which should have them do have them. Finally, even if school breakfast participation levels do never reach the levels of participation as in school lunches, this does not excuse the state agencies or the schools from allowing children to go hungry and attributing to their suffering from malnutrition as a result of their not offering breakfasts in the schools.

It is the responsibility of the state school food service agencies and of the schools to enhance the nutritional and educational levels of children - not to reduce or to encourage the maintaining of inferior nutritional or educational levels. By refusing to endorse a school breakfast mandate, these agencies and schools are consciously stating their lack of concern for those children in need of a nutritious breakfast. Therefore, if these children are to have the opportunity to eat a nutritious breakfast, action will have to be taken on the federal level to ensure that they do, for throughout the past twelve years, they have not been reached by state and local school food service people.

The nutritional requirements of the school breakfast program need to be strengthened. H.R.11699 includes a minimal protein requirement which would strengthen the nutritional requirements by specifying that a one ounce serving of a protein source be provided at least twice each week. At present, many school breakfasts contain creme-filled doughnuts, coffee-cake and other "formulated grain-fruit products." If breakfasts are to be provided in schools, they should be nutriously beneficial ones which also encourage good nutrition habits. These "formulated grain-fruit" products should be banned and nutritious breakfasts which include some protein should be made mandatory.

A tremendous amount of money is poured into the school systems each year for nutrition education programs which are intended to help in educating students in the area of good nutrition. In many of these same schools, junk foods are served to the children for breakfast. In serving these breakfast "foods" to young, impressionable children, the schools are refuting what they try to convey to the students through nutrition education - they are putting their stamp of approval on sweets, in lieu of a nutritious meal, for breakfast. Knowledge of good nutrition is not enough. The schools need to reinforce this knowledge by practicing in the school breakfast programs what they "preach" in nutrition education. There are many other reasons why the junk foods should be banned:

1. Children tend to eat, or want, too many sweets without getting them for breakfast. They already get enough of this type of food at school parties, doctor's offices, home or elsewhere without their being given to them for breakfast.

2. For those children who are encouraged to eat correctly at home, they are discouraged to do so in school by the presence of these foods. These children have no choice but to eat the foods if they eat breakfast at school - that is, if their parents allow them to eat school breakfasts because of these foods.

3. For those children who do not receive proper nutrition from home, the school may be their only source of obtaining nutritious meals. When these foods are served, they do not even get nutritious meals there.

4. Some studies show that these foods contribute to hyperactivity and hypoglycemia and also trigger many types of reactions. Some schools have modified their menus to substitute natural foods in the place of junk foods and have noted improvements in the above stated conditions.

Patterns and habits created in younger years tend to stick through life. Teaching children that they should eat good nutritious meals throughout life is not very effective if it is not actually practiced in the schools.

In summation, the food that children eat each day makes all the difference in how they look, feel, grow and learn. With the provision of nutritious school breakfasts, children will be better nourished and will learn and work better as well as grow up to be more productive adults. A school breakfast mandate as outlined in H.R.11699 will assure better nourishment for children whereas voluntary implementation of school breakfast programs has failed to adequately do so. Opponents of a breakfast mandate cannot possibly justify their opposition since their methods of school breakfast implementation have not proved effective enough after twelve years. The breakfasts served should be nutritious ones that are exemplary of the nutrition education programs in the schools. H.R.11699 will not only benefit the children, but will also help the economy. Since the future of our country lies in our children, H.R.11699 should be passed not only to enable the children to reach their full physical and mental potentials, but to protect the future of our nation as well.

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WILLIAM H. SHIPES
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April, 1978

Testimony
on
WIC Recommendations
in
H.R.11259

The purpose of the WIC program has been to provide pregnant women, infants and young children at special risk levels resulting from malnutrition and/or inadequate health care, with supplemental nutritious foods and a preventive health care program. This two-fold intention of the program is indeed a worthy one since good nutrition and good health are inseparable, so the program should be continued. However, the WIC program as it now exists has been reaching less than one-third of those eligible women, infants and children. Therefore, changes do need to be made in the program so that it can reach the target group for which it is intended. These necessary modifications are incorporated into a bill which has been introduced to the House Committee on Education and Labor by Representative Paul Simon as H.R.11259 and are expanded upon throughout the text of this testimony.

First, H.R.11259 calls for a four year extension of the WIC program through fiscal year 1982. This extension is essential to the well-being of the millions of American women, infants and children who are desperately in need of its services. The need for this program to continue is just as great as the need was which justified its existence up to this time.

In order for WIC to be more effective at reaching its target population than it has been in the past, increased funding is also essential. At present less than one-third of those eligible are being reached by the program. H.R.11259 calls for increased funding levels in the amounts of $650 million in fiscal year 1979, $850 million for fiscal year 1980 and such amounts deemed necessary in fiscal years 1981 and 1982. Even with the increase in funds to $650 million for fiscal year 1979, this increase would only allow 73% of those eligible to be reached. From these figures, it is quite evident that the funding levels have to be increased for the WIC program.

H.R.11259 states that income levels should be included in the eligibility requirements. In the present WIC program, eligibility is determined by nutritional risk criteria. Although low-income populations are mentioned in the eligibility requirements, there is no control over income levels.

In exercising the income eligibility requirement, those women, infants and children from families whose incomes are at or below the income guidelines established by the Secretary for receipt of free or reduced meals as set forth in the National School Lunch Act and who demonstrate one or more characteristics of potential nutritional deficiency will be eligible for the program. Opponents of the income requirement state that WIC is designed as a preventive health program. However, income and health are very closely related. Malnutrition and poor health appear most prevalent in low-income populations; therefore, income is important in determining nutritional risk. With no income limitations specified in the current WIC program, it is possible for those from families who could afford to pay for preventive health care to receive services which might eliminate some people from lower income levels, and who are also eligible according to the current definition of nutritional risk, from participating in the program. With less than one-third of the people who are eligible now participating in the program, this definition of nutritional risk as it now exists should be of primary concern and the income ceiling should be included.

In many instances, people from special groups encounter difficulty in receiving benefits for which they are eligible. H.R.11259 recognizes that migrants are one of these special groups and defines the term 'migrant' as "an individual whose principal employment is in agriculture on a seasonal basis, who has been so employed within the last 24 months, and who establishes for the purpose of such employment a temporary place of abode". From this definition of the term, one can see some of the problems which are often encountered in receiving benefits of the WIC program.

By the nature of their life style, migrants encounter many problems in obtaining continuous availability of benefits as they move from state to state. H.R.11259 recognizes this and states that the Secretary should use funds as necessary to:

1. "Require all states to establish, maintain, operate and expand the WIC program to ensure continuous availability of program benefits to eligible migrants as they move from state to state."

2. "Issue regulations to effectuate the purpose of this sub-section, and shall monitor states' compliance."

The Secretary should also:

1. Present his plan to the National Advisory Council on Maternal, Infant and Fetal Nutrition describing how the United States Department of Agriculture will provide continuous benefits to migrants.

2. Add five new members to this council including a representative of a migrant WIC program who can be a migrant recipient or a representative from an organization whose intention is to protect migrant interests in the WIC program.

3. Require State agencies to include in their State plans estimates of the number of persons within these special risk goups who will be eligible to participate in the WIC program.

4. Require State agencies to state the specific methods they will utilize to provide these services to those people within the special risk groups.

There is justification for the special provisions in H.R.11259 which would help to ensure that WIC benefits are more accessible to migrants. Recent statistics have shown that the infant mortality rate among migrants is 25% higher than the national average. Also, nine times more births occur outside of hospitals among migrants. These figures show that the migrant population is in itself a high risk group and should have special provisions to ensure WIC benefits reach those women, infants and children within the migrant population.

Due to their nomadic life style, migrant WIC benefits are frequently interrupted as they move within the migrant stream. Consequently, the nutritional and health care benefits migrants receive in one locale do not prove very beneficial unless they can be continued in other areas as well. Also many workers' time is lost through present recertification processes and migrants' nutritional and physcial health suffer at the same time. Therefore, specific provisions must be taken to ensure that continuous benefits are available.

The most logical solution for ensuring continuous availability of benefits is to change the present method of certification which does not work for migrants to one that does. This can be done by:

1. Establishing a national WIC certification process for migrants in which they would be issued a benefits card at their initial certification and would present this card to obtain WIC benefits while moving along with migrant stream rather than undergoing a local certification at each area. This certification process should be stated by the Secretary in his regulations to the states on continuous program benefits for migrants.

2. Specifying that specific persons at the regional levels of FNS be responsible for monitoring states' WIC programs to see that migrants are receiving continuous benefits. The persons on the regional levels along with the migrant Council member could work simultaneously at both levels in ensuring that WIC benefits are continuously available to migrants.

3. Making WIC available to migrants through HEW Migrant Health Centers/Projects. This is already being done in some areas and should be expanded upon as these centers are already health care providers and also are familiar with the special needs of migrants.

4. Utilizing the National Migrant Referral Project's system in referring migrant WIC clients moving along the migrant stream as it would help ensure the continuity of migrant benefits and the effective transfer of WIC medical information.

These specific provisions which protect the rights of migrants and other special risk groups should be a mandatory part of the WIC program, for past experience has shown where many members of these groups have been eliminated from the program when they were not only eligible but in dire need of the WIC program benefits. Unless specific precautions are taken, these persons will continue to be eliminated from receiving these desperately needed services. Their nutritional health and well-being should not continue to suffer because their style of life differs from the regular norms of society.

In conclusion, the WIC program is desperately needed by millions of Americans to protect their physical and mental health and, therefore, should be continued. The changes in the program as set forth in H.R.11259 are changes that need to be made to make the program more effective in reaching its target population. In WIC, as in any endeavor, many needed changes become visible only after it has been in operation over a period of time. The changes in the WIC program as stated in this bill have been recommended by professionals and those within the target population, so they are from knowledgeable sources and cannot be overlooked. Therefore, H.R.11259 should be ratified.

*Questions or additional information concerning the above testimony should be directed to Vickie McCullen, CFNP Specialist, Migrant and Seasonal Farmworkers Association, Inc., P. O. Box 33315, Raleigh, North Carolina 27606.

American Academy of Pediatrics

1800 NORTH KENT STREET • ARLINGTON, VIRGINIA 22209 • AREA CODE 703: 525-9560

DEPARTMENT OF GOVERNMENT LIAISON
ELIZABETH J. NOYES, CHIEF

May 1, 1978

Honorable Carl D. Perkins
Chairman, Subcommittee on Elementary, Secondary
and Vocational Education
Committee on Education and Labor
House of Representatives
Washington, D.C. 20515

Dear Mr. Perkins:

I would like to submit for hearing record the statement of the American Academy of Pediatrics regarding HR 11699, specifically the section dealing with the Special Supplemental Feeding Program for Women, Infants and Children (WIC). The Academy has long maintained an interest in and support for WIC, having followed its development closely from inception. We continue to support the WIC Program and have urged its renewal with at least the increase in funding recommended by the Administration.

In addition to the comments submitted herein, the Academy would like to go on record in support of the five-year eligibility period as proposed by Senator Humphrey and Congressman Simon. The removal of children ages 4 and 5 from the program would be a step backward in providing good nutrition during the critical years of growth and development. Certainly, the Committee is well aware of the potential risks for children if nutritional deficiencies exist during periods of critical growth.

Finally, your attention is directed to the need for the inclusion of special foods for children with inborn errors of metabolism, such as phenylketonuria (PKU). The WIC Program currently provides special diets for children with PKU to age five and we strongly urge that this provision be maintained. The provision of this speical diet (commercially available) makes the difference between almost normal life for these children as compared to a possible lifetime of institutionalization caused by irreversible mental damage or even death.

Thank you for your consideration.

Sincerely yours,

Elizabeth J. Noyes

Elizabeth J. Noyes
Chief
Department of Government Liaison

STATEMENT

AMERICAN ACADEMY OF PEDIATRICS

SUBMITTED TO THE
SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION
COMMITTEE ON EDUCATION AND LABOR

HR 11699

During the late 1960's and early in the 1970's, there were several surveys of the state of nutrition in segments of the American population. Surveys of children indicated evidence of malnutrition, such as growth retardation and iron deficiency anemia. The prevalence of these conditions was in proportion to income levels. Studies begun at approximately the same time demonstrated the value of supplemental feeding programs for those children at risk in preventing the development of iron deficiency anemia and promoting a normal growth pattern. One such study was carried out in Memphis in cooperation with a community group called Map-South by the St. Jude Children's Research Hospital. In an attempt to provide the benefits of supplemenal feeding programs to those at risk from malnutrition, the WIC program was developed and implemented nationwide. There now have been more that four years of experience with this program. During this time, the program had grown in size and scope. Its purpose, however, has remained the same.

With regard to HR 11699, the Academy would stress the need for this program to continue to be one of prevention, not remediation. The Academy has been concerned with the criteria for children's entry into the program. The regulations concerning entry are stated in such a way that it would seem nutritional deficiency must already be present before a child would be eligible.

Certainly, the Committee is well aware of the potential risks for children if nutritional deficiencies exist during periods of critical growth. We feel that infants who are at risk of developing nutritional deficiencies should be entered in the program as soon as possible after birth so that there will not be iron deficiency anemia or growth failure. The USDA has expressed concern that if the risk of nutritional deficiency is defined by family income the program would be converted from one involving nutrition to another form of welfare support. The Academy recognizes this concern but feels that the overriding consideration is to identify infants and children who will be at risk for dietary deficiency and for whom the WIC program can offer prevention of these deficiencies. Therefore, the Academy urges the regulation to be stated in such a way that nutritional risk, not evidence for already present nutritional deficiency, be the criterion for entry into the program.

With regard to proposed income restrictions, the Academy recommends that modifications be made in HR 11699 to allow for more flexibility. If a ceiling is placed on income levels, some children at risk may be deprived of potential benefits. Likewise, income restrictions should not be rigidly applied as the only or even the major entrance requirement. The current language of "at low income and eligible for free or reduced-price medical care" more fairly addresses the population in need.

The WIC progarm currently stresses the association of the supplemental feeding program with a health care facility. The Academy feels it is most important that the program continue to be part of the overall health care program for the child. An important observation during the current operation of WIC has been the increased number of children now receiving such additional health benefits as immunizations and dental checkups because a WIC program has drawn them into a health care facility. Thus, medical as well as nutritional benefits have accrued to the children as the program is currently being conducted.

It is important to continue a system of evaluation of the medical benefits of WIC. The Advisory Committee on Nutrition Evaluation for the WIC program has made a series of recommendations for several levels of evaluation. We would recommend that these evaluation systems be implemented in the renewal of this program. Much of the proposed evaluation, in fact, represents good medical care for growing children.

The Academy is also concerned with the contents of the food packages provided under WIC. On food packages for infants 0-6 months of age, there should be specification of the form of iron used to fortify the various foods allowed. The wide range of availability of various iron salts and particular sizes suggests more detailed specifications be formulated so that optimal absorption of the iron be assured. For infants age 6-12 months, the allowed substitutions of formula milk for evaporated of whole dry milk suggest two concerns: (a) the resulting significant decrease in net iron intake; and (b) the inadequate Vitamin A levels in the substitutes. Food packages for this age group should also specify the quality of iron. In considering specifications for allowed package sizes of fruit juice, the rapid oxidation of Vitamin C in open containers should be kept in mind.

In addition to the infant food package, consideration must be given to the food packages for children and pregnant or lactating women. The advisability of allowing flavored milk as a substitute for whole milk (213 kcal/8 oz.) is substantially higher than that of unflavored milk (159 kcal/8 oz.). In addition to a tacit endorsement of a questionable food habit encouraging an increased intake of sucrose, the possible substantial caloric contribution of this supplementary food source may lead to a significant decrease in specific intake per calorie. In view of the substantial iron requirements of pregnant and lactating women, providing iron in a pharmacological form under appropriate supervision should be considered because of the varying quality of iron in foods usually consumed by this group. There is a danger in the suggestion that iron needs can be met by the combination of usual food intake and the supplementary food packages.

The food package guidelines for pregnant and lactating women encourage a relatively high intake of cholesterol and saturated fats. Equivalent nutrient intakes should be achieved with other than traditional dairy foods. Alternate food packages should be planned as educational tools for demonstrating diets of high nutritional value but low saturated fats and cholesterol content. This recommendation would be of value not only to the woman but also for her family as an educational tool. The addition to the food package for lactation of 7 1/2 pounds of poultry or fish per month would provide an increase of 0.5 gms/ kg/day of protein to the average lactating mother and also increase iron and Vitamin B intake. It should be a psychological incentive to lactation which might offset some of the alleged negative impact of available free infant formulas. The cost effectiveness of thus supplementing the mother's diet as opposed to purchase of infant formula is considerable.

Once again, it is necessary to mention that there are relatively low levels of Vitamin A in evaporated and nonfat dry milk and there should be specification for the quality of iron used in fortifying specific foods and packaging specifications for fruit juices.

Finally, we would urge, as we have in the past, that allowances be made for providing special foods for children with inborn metabolic disorders such as phenylketonuria. Although the monies necessary to provide these foods through the WIC program are minimal, the benefits to children and to society are great. It is our position that distribution of these special foods through the WIC program is preferable to any other form of distribution that has been proposed.